DEPARTMENT OF ENVIRONMENTAL QUALITY AIR QUALITY DIVISION

ACTIVITY REPORT: Self Initiated Inspection

| J13141262327840 | | |
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| FACILITY: West Bay Exploration - Foote 1-12 CPF | | SRN / ID: U131412623 |
| LOCATION: , Marshall | | DISTRICT: Kalamazoo |
| CITY: Marshall | | COUNTY: CALHOUN |
| CONTACT: Tim Baker, Operations Manager | | ACTIVITY DATE: 10/28/2014 |
| STAFF: Rex Lane | COMPLIANCE STATUS: Compliance | SOURCE CLASS: |
| SUBJECT: Self Initiated Ins | pection | |
| RESOLVED COMPLAINTS | | |

On October 28, 2014, Air Quality Division (AQD) staff (Rex Lane) arrived at West Bay Exploration Company (WBECO) - Foote 1-12 Central Processing Facility (CPF) located in Marengo Township, Calhoun County (Section 12; T2S R5W) to conduct an unannounced air quality inspection. CPF means production equipment which has been consolidated at a central location that provides for commingling of oil or gas production, or both, from 2 or more wells. This CPF commenced operations in August 2006 and collects sweet crude oil and natural gas from area wells drilled into the Traverse formation. There was no WBECO staff present on-site during the inspection. Mr. David Bechler, MDEQ, Office of Oil, Gas and Minerals assisted AQD staff on the inspection.

This facility has one vertical heater/treater and one horizontal heater/treater that separate natural gas and water from the crude oil. Once separated, the crude oil and water are sent to one of three 400 barrel (16,800 gallon capacity each) vertical above ground storage tanks. Natural gas liquids (NGL) are transferred to a 30,000 gallon horizontal above ground storage tank. The natural gas that flashes off in the heater/treater is sent to an open flare at this facility. There are no compressor engines or glycol dehydrators at this facility. The oil storage tanks are exempt from Permit to Install (PTI) requirement per Rule 284(e). The NGL storage tank is exempt from PTI requirement per Rule 284(b). The heater/treater process equipment is exempt from PTI requirement per Rule 288(d). The open flare is exempt from PTI requirement pursuant to Rule 288(c).

| At the time of the inspection, it appearable state air quality rules and | | te 1-12 CPF was in compliance with all |
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| NAMERIL | DATE 11 21 14 | SUPERVISOR MR 11/24/2014 |