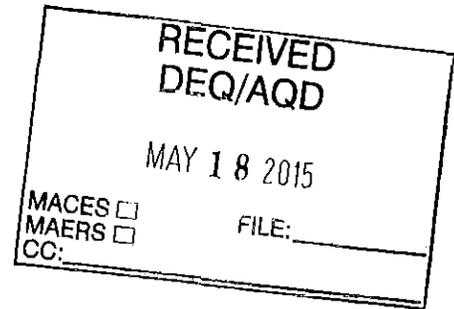




Gosling Czubak
engineering sciences, inc.

Engineers • Surveyors
Landscape Architects
Environmental Services



May 14, 2015

Mr. Kurt Childs
Environmental Quality Analyst
Air Quality Division
120 West Chapin Street
Cadillac, Michigan 49601

**RE: Michigan Department of Environmental Quality- Air Quality Division
April 30, 2015 Violation Notice Letter
Jordan Exploration, LLC
Permit Number 667-96A, SRN N6109
Schroeder CPF, Charlton Township (Central), Otsego County, Michigan**

Dear Mr. Childs:

Gosling Czubak Engineering Sciences, Inc. (GCES) has been retained by Jordan Development Company, LLC of 1503 Garfield Road North, Traverse City, Michigan 49686 to review and respond to the April 30, 2015 Violation Notice Letter referenced above.

Specifically, the letter indicated that on April 16, 2015 an inspection of the facility occurred and that the emission unit EUENGINE1 violated permit number 667-96A, special conditions 2.3 and 2.4 which state, "The permittee shall not operate any engine that contains an add-on control device unless that device is installed, maintained, and operated in a satisfactory manner, except as specified in SC 2.3".

Reduced natural gas processing rates reduced the compressor engine load. The engine had to be tuned to operate the catalyst with the drop in production, making the use of the catalyst not economically feasible at the facility. The required modification to the existing permit was overlooked. While the engine was operated without the catalyst, the emissions were below both minor and major significance levels.

Actions Taken

Gosling Czubak Engineering Sciences, Inc. (GCES) has conducted a review of the permit conditions for 667-96A, a review of emissions records, quarterly engine emission checks, and engine specifications. Our review indicates that the violations cited appear to be correct.

Proposed Activities

GCES will prepare and submit a revised permit to install application on behalf of Jordan Exploration, LLC that no longer requires a catalyst on EUENGINE1 as part of the new permit. It is anticipated that a revised permit application could be prepared and submitted no later than May 29, 2015.

Prevention of Future Violations

Jordan Exploration, LLC will perform an emission evaluation before adding or removing engine control devices at this site or any other sites in the future. If an engine control device is removed or addition is warranted, notice will be given to the MDEQ-AQD before such change can occur to provide the MDEQ-AQD a chance to evaluate proposed changes.

Please feel free to contact our office to discuss in greater detail, if required.

Respectfully Submitted,

GOSLING CZUBAK



Eric Vincke
Project Scientist
Environmental Services Group

Cc: Troy Molby- Jordan Development Company, LLC

Attachments: DEQ-AQD- April 30, 2015 LOV





RICK SNYDER
GOVERNOR

STATE OF MICHIGAN
DEPARTMENT OF ENVIRONMENTAL QUALITY
CADILLAC DISTRICT OFFICE



DAN WYANT
DIRECTOR

April 30, 2015

MAY 04 2015

Mr. Troy Molby
Jordan Development Company, L.L.C.
1503 Garfield Road North
Traverse City, Michigan 49686

SRN: N6109, Otsego County

Dear Mr. Molby:

VIOLATION NOTICE

On April 16, 2015, the Department of Environmental Quality (DEQ), Air Quality Division (AQD), conducted an inspection of the Schroeder natural gas production facility located at NW, NW, NE of Section 16, Charlton Twp, Otsego County, Michigan. The purpose of this inspection was to determine Jordan Development Company's compliance with the requirements of the federal Clean Air Act; Part 55, Air Pollution Control, of the Natural Resources and Environmental Protection Act, 1994 PA 451, as amended (Act 451); the administrative rules and the conditions of Permit to Install (PTI) number 667-96A.

During the inspection, staff observed the following:

Process Description	Rule/Permit Condition Violated	Comments
EUENGINE1	PTI 667-96A, SC 2.3, and SC 2.4	Operation of EUENGINE1 without the required control device for more than 200 hours per year.

As a result of the inspection it was determined that the catalyst element was removed from the engine exhaust system as of February 28, 2013 though the engine continued to operate. This is violation of PTI 667-96A Special Conditions 2.3 and 2.4 which state "The permittee shall not operate any engine that contains an add-on control device unless that device is installed, maintained, and operated in a satisfactory manner, except as specified in SC 2.3" (SC 2.3 allows up to 200 hours per year of operation without the control device).

The AQD understands this action was taken due to reduced process rates and engine loads resulting in the potential to foul the catalyst. However no changes were made to Permit to Install (PTI) 667-96A prior to and authorizing such changes.

Please initiate actions necessary to correct the cited violation and submit a written response to this Violation Notice by May 20, 2015 (which coincides with 21 calendar days from the date of this letter). The written response should include: an explanation

of the causes and duration of the violation; a summary of the actions that have been taken and are proposed to be taken to correct the violation and the dates by which these actions will take place; and what steps are being taken to prevent a reoccurrence.

If Jordan Development Company believes the above observations or statements are inaccurate or do not constitute violations of the applicable legal requirements cited, please provide appropriate factual information to explain your position.

Thank you for your attention to resolving the violation cited above and for the cooperation that was extended to me regarding my inspection of the Jordan Development Company L.L.C. Schroeder CPF. If you have any questions regarding the violation or the actions necessary to bring this facility into compliance, please contact me at the number listed below.

Sincerely,

A handwritten signature in black ink, appearing to read 'Kurt Childs', written over a horizontal line.

Kurt Childs
Environmental Quality Analyst
Air Quality Division
231-876-4411

cc/via e-mail: Ms. Lynn Fiedler, DEQ
Ms. Mary Ann Dolehanty, DEQ
Ms. Teresa Seidel, DEQ
Mr. Thomas Hess, DEQ
Ms. Janis Ransom, DEQ