



west virginia department of environmental protection

Division of Air Quality
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Charleston, WV 25304
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Earl Ray Tomblin, Governor
Randy C. Huffman, Cabinet Secretary
dep.wv.gov

April 1, 2014

CERTIFIED MAIL
Article # 91 7108 2133 3936 1549 8304

Jay-Bee Oil & Gas, Inc.
c/o Mr. Randy Broda, President
1720 Rt. 22 East
Union, NJ 07083-6112

RE: NOTICE OF VIOLATION (NOV)
Lisby Well Pad

Dear Mr. Broda:

On March 28, 2014, the Division of Air Quality (DAQ) conducted an inspection of the Jay-Bee Oil & Gas, Inc. (Jay-Bee) Lisby Well Pad located in Tyler County, West Virginia. Jay-Bee is in violation of West Virginia Code §22-5-1 and 45CSR13, in particular, Section 5.1 which states, "No person shall cause, suffer, allow or permit the construction, modification, relocation and operation of any stationary source to be commenced without notifying the Secretary of such intent and obtaining a permit to construct, modify, relocate and operate the stationary source as required in this rule or any other applicable rule promulgated by the Secretary" for the construction and installation of condensate storage vessels at the Lisby Well Pad.

You should be aware that for each violation your Company may be subject to civil and/or criminal penalties and further action or remedies as provided by West Virginia Code §§ 22-5-6, which may include imposition of a civil penalty of up to ten thousand (\$10,000) dollars per day for each violation.

A written response to this Notice of Violation is required from your Company within thirty (30) days after receipt. The following information must be in your response to the Notice of Violation:

- (1) A detailed explanation of the cause(s) of the condition(s) leading to the cited violation or a description of the action(s) being taken or to be taken to ascertain the cause(s) for noncompliance.

Promoting a healthy environment.

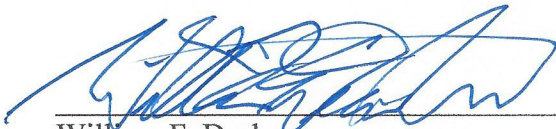
- (2) A statement of how long the condition(s) has existed (e.g. dates tanks were installed and when each site emission unit was put into operation).
- (3) Amount of condensate produced at the site from commencement of operations until present.
- (4) Potential emissions from all other sites unpermitted by DAQ located in West Virginia.
- (5) A detailed explanation of the remedial measures that have been taken and will be taken to address the causes of noncompliance. For any remedial measure(s) not yet taken, provide expected date(s) for completion. If all remedial measures have been completed, provide the date that the Company believes that compliance with air quality requirements was achieved.

Please be aware that any person who knowingly misrepresents any material fact in an application, record, report, plan, or other document filed or required to be maintained under the provisions of West Virginia Code 22-5-1, et seq., or any rules promulgated thereunder, is guilty of a misdemeanor and, upon conviction, shall be fined not more than twenty-five thousand (\$25,000) dollars or imprisoned in the county jail not more than six months or both fined and imprisoned.

Furthermore, any person who knowingly violates any provision of West Virginia Code 22-5-1, et seq., any permit or any rule or order issued pursuant to that article is guilty of a misdemeanor and, upon conviction, shall be fined not more than twenty-five thousand (\$25,000.00) dollars for each day of such violation or imprisoned in the county jail not more than one year or both fined and imprisoned.

Further, please note that for purpose of the foregoing, violations on separate days are separate offenses.

The Division looks forward to your timely written response to this Notice of Violation.



William F. Durham
Deputy Director

cc: Jay-Bee Oil & Gas, Inc.
Mr. Randy Broda, President
Route 1 Box 5
Cairo, WV 26337