

## Exhibit 3

**Subject:** FW: injection data requirement for Utica-Collingwood wells?  
**From:** "Biteman, Susanne (DEQ)" <BitemanS@michigan.gov>  
**Date:** 3/28/2012 11:00 AM  
**To:** 'Ellis Boal' <ellisboal@voyager.net>  
**CC:** "Versical, Robert (DEQ)" <VERSICALR@michigan.gov>, "Henderson, Rick (DEQ)" <HENDERSONR2@michigan.gov>

Ellis,

Thank you for your email.

Hydraulic fracturing is a completion operation as referenced in Rule 324.418 (b). Injection well as defined in Rule 324.102(x) ... "or a well used to inject water, gas, air, brine, or other fluids for the purpose of increasing ultimate recovery of hydrocarbons from a reservoir or for the storage of hydrocarbons." Is referring to wells operating as secondary recovery wells not completion operations of oil and gas wells. Secondary Recovery is defined in R324.103(j): "Secondary recovery" means the introduction or utilization of fluid or energy into or within a pool for the purpose of increasing the ultimate recovery of hydrocarbons from the pool. Secondary recovery injection wells inject fluid as part of normal operations (not completion operations). An example of a secondary recovery project would be one or more secondary recovery injection well(s) (injecting water, brine, or gas) in a nigran reef and one or more oil and gas wells (located within that same reef) extracting oil and gas from that same reef. The purpose of the injected water, brine, or gas being injected into the reef is to enhance the recovery of the oil and gas and provide for a more efficient and complete extraction of the resource. In effect, the injected water, brine or gas push the oil and gas towards the oil and gas wells. See R324.612 for more on secondary oil recovery projects.

Please feel free to contact me with any other questions.

Thank you,

Susanne Biteman  
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**From:** Ellis Boal [mailto:ellisboal@voyager.net]  
**Sent:** Tuesday, March 27, 2012 1:18 PM  
**To:** Biteman, Susanne (DEQ)  
**Cc:** LuAnne Kozma  
**Subject:** injection data requirement for Utica-Collingwood wells?

Susanne,

I note the application for Excelsior 1-13 included no "Injection Well Data" form EQP 7200-14, attached.

In fact, looking through several other applications and permits I don't recall that the DEQ required injection data for any of them.

A fracked Utica-Collingwood well is within R 324.102(x)'s definition of an injection well. The definition includes "... a well used to inject water, gas, air, brine, or other fluids for the purpose

of increasing the ultimate recovery of hydrocarbons from a reservoir...."

The permit application instructions, attached, require injection data for all injection wells.

The data would have included important information such as the maximum rate, specific gravity, and pressures of the injection and chemical analysis of the injectate.

Why doesn't the DEQ require injection data for Utica-Collingwood wells? Thank you.

Ellis