

Blue markings along Consumers Energy ROW unrelated to West Bay Exploration

Blue paint marking the Consumers Energy Right of Way near 25 Mile and Dequindre roads is unrelated to any current or future operations involving West Bay Exploration and its oil/gas exploration project adjacent to the ROW. West Bay Exploration Vice President Pat Gibson confirmed this in a Sept. 15 email to Township Supervisor Rick Stathakis.

From: Pat Gibson

Sent: Monday, September 15, 2014 9:09 AM

To: Rick Stathakis

Subject: RE: Blue paint marks on trail

Supervisor Stathakis,

West Bay has no knowledge of any marking in this area. As agreed, we have ceased all activity at the site and have made no further decisions about any other activity in the Township.

Patrick Gibson

Vice President

West Bay Exploration Company

West Bay Exploration halts Shelby Township oil/gas exploration, "indefinitely"

West Bay Exploration Vice President Pat Gibson provided the following update on the indefinite halt to the exploration process at the Shelby Township well near 25 Mile and Dequindre roads Aug. 25.

Supervisor Stathakis,

Please find attached a press release issued by West Bay this afternoon (Aug. 25). As you and the Township board have asked, West Bay will be shutting in our well at the end of the week in order to take some time and work with our neighbors to help them better understand our operation.

Thanks,

**Patrick Gibson
Vice President
West Bay Exploration Company**

West Bay Exploration updates status of oil/gas exploration in Shelby Township

West Bay Exploration Vice President Pat Gibson provided the following update on the exploration process at the Shelby Township well near 25 Mile and Dequindre roads Sept. 2, Aug. 21, 19, 18, 15 and 14.

Supervisor Stathakis,

I wanted to give you an update on our well. We have removed most of the equipment from the site and will continue with excavating work to improve the site. Going forward we will have a fenced area around the well head. The well head itself is secured with temporary plugs and valves. Our security employees will visit the location on a regular basis.

**Patrick Gibson
Vice President
West Bay Exploration Company**

Supervisor Stathakis,

We were able to do some preliminary work on the well (Aug. 21) and are shutting down at 5:30. Tomorrow morning (Aug. 22) we will run an electronic log and begin the process of swabbing the well and testing the lower most zone in the well. We may not have results by the end of the day tomorrow, but we are making progress in that direction.

**Patrick Gibson
Vice President
West Bay Exploration Company**

Supervisor,

We have moved a truck mounted completion rig to the site. This rig is approximately 2/3 the height of the drilling rig. The completion rig only operates during daylight hours as opposed to the 24 hour activity of the drilling rig. I anticipate this smaller rig to be on location for approximately two weeks. At the end of this time we will know whether or not the we have a productive well. Should the well be productive the rig will leave and the site will be restored and landscaped. After that the only activity at the site will be a pick up truck visiting twice a day.

**Patrick Gibson
Vice President
West Bay Exploration Company
231.946.0200**

Supervisor Stathakis,

We are completing the removal of the drilling rig today (Aug. 19), and still anticipate moving a completion rig in tomorrow (Aug. 20) to begin testing the well. The completion rig works only during daylight hours. We should have definitive results on the well within 30 days.

Tim Baker and I would like to discuss Wednesday's meeting with you at your earliest convenience. (*Supervisor's note: Mr. Gibson and Mr. Baker confirmed West Bay Exploration officials will be in attendance at the Aug. 20 town hall*)

Patrick Gibson
Vice President
West Bay Exploration Company
231.946.0200

West Bay is still on track to remove the drilling rig from the site on Tuesday (Aug. 19). We anticipate moving a smaller, truck mounted rig in on Wednesday to begin the completion. This smaller rig, approximately 2/3 the height of the drilling rig, will only operate during daytime hours. While the results of the well are inconclusive, we would hope to have better information by the end of the week. Should the well prove productive, we will temporarily cap the well and begin working on a pipeline, in the existing pipeline corridor, to remove product from the site and transport it to a processing facility some distance away in a commercial/industrial location. The only thing then left on the drilling location will be a small garden shed sized building and the well head itself which is approximately fifteen feet tall. This area will be landscaped to fit into the surrounding lots. There will be a berm, fence and vegetation similar to landscaped yards in the community to keep the well from view. The only activity on that site will be a pickup truck visiting twice a day to check on the well. West Bay also maintains remote monitoring so that field personnel have access to well data 24 hours a day.

Patrick Gibson
Vice President
West Bay Exploration Company
231.946.0200

Some distance to the east along the utility corridor in an industrial/commercial area.

Patrick Gibson
Vice President
West Bay Exploration Company

From: Rick Stathakis Sent: Friday, August 15, 2014 3:44 PM To: Pat Gibson Subject: RE: West Bay update

If you do find oil, where would the production facility be located?

----- There is no change. The rig is stacked and will be moving out Tuesday. There will be no activity over the weekend (Aug. 16-17).

Patrick Gibson
Vice President
West Bay Exploration Company
231.946.0200

Supervisor Stathakis,
As of this afternoon (Aug. 14) our plan is to begin the process of moving the drilling rig off of location. It may be Tuesday (Aug. 19) before the actual derrick is moved. The well is secured and we will move a smaller completion rig in later next week to complete the well.

Patrick Gibson
Vice President
West Bay Exploration Company

Supervisor Stathakis,

We wanted to provide an update on the status of our well. The last set of steel casing was installed in the well in order to test for oil. At this point the results of drilling are still inconclusive. The drilling rig will now be moved off the location to be replaced by a smaller, truck mounted completion rig. We will conduct a final test of the well next week to determine whether it may be productive.

Patrick Gibson
Vice President
West Bay Exploration Company

West Bay Exploration commits to industrial site if production site is necessary

Shelby Township Supervisor Rick Stathakis has obtained written confirmation from West Bay Exploration, the oil company drilling near 25 Mile and Dequindre roads, that any production facilities associated with wells in Shelby Township will be located in an industrial area.

Currently, West Bay Exploration is in the process of assessing what if any deposits are available at the well that was completed this week. Continue reading for the full statement from West Bay Exploration:

"West Bay has completed the drilling phase of our well in Shelby Township. Our geologists and engineers are currently analyzing the results of that drilling to try and determine whether or not we have discovered hydrocarbons.

Should we determine that we have made a discovery we will begin the completion phase. At that point activity will be limited to day light hours, and the rig is a much smaller truck mounted rig.

West Bay has been drilling and producing wells in Shelby Twp. for almost thirty years. During that time we have paid individual landowners more than \$13 million dollars in royalty. We specialize in operating in highly urbanized areas and fitting our operation into the community with little impact. The drilling phase which we just completed is the most visible of our activities.

If we are successful and move into a production phase there will be no impact on the neighborhood. A pickup truck will visit the well head twice a day. The well site itself will be landscaped in such a way as to blend into the surrounding environment. Production equipment and processing activities will take place some distance away in a commercial/industrial area.

No one is more concerned about safety and environmental issues than I. West Bay goes above and beyond DEQ regulations to ensure that the environment and the public are protected. These DEQ regulations are some of the most stringent in the country and ensure that our activity is safe no matter where it is located. West Bay is proposing to host a workshop in the Township next week where will make our staff geologist, engineers, geophysicist, and executives available to speak with residents one on one."

-- Pat Gibson

West Bay Exploration Vice President

West Bay Exploration confirms pipeline use for product transportation

Shelby Township Supervisor Rick Stathakis received written confirmation from West Bay Exploration officials Aug. 12 that a pipeline will be used to transport any product from a well near 25 Mile and Dequindre roads to a processing facility that will be in an industrial or commercial zone. The use of a pipeline will minimize the amount of heavy truck traffic to and from the well site if oil/gas is found. Read more for West Bay Exploration's full statement:

"Oil would be transported via pipeline to a facility somewhere along the existing Consumers Power right of way on the northern edge of our well pad. This could be 3-4 miles away. Our first step is to make a well. We would then look for the appropriate facility location in a commercial/industrial area."

**-- Pat Gibson
West Bay Exploration Vice President**