

DEPARTMENT OF ENVIRONMENTAL QUALITY
AIR QUALITY DIVISION
ACTIVITY REPORT: On-site Inspection

N593762220

FACILITY: Lambda Energy Resources LLC - Forest 24		SRN / ID: N5937
LOCATION: 10901 Canada Creek Rd, CHEBOYGAN		DISTRICT: Gaylord
CITY: CHEBOYGAN		COUNTY: CHEBOYGAN
CONTACT:		ACTIVITY DATE: 03/16/2022
STAFF: David Bowman	COMPLIANCE STATUS: Compliance	SOURCE CLASS: SM OPT OUT
SUBJECT: Scheduled inspection. FCE		
RESOLVED COMPLAINTS:		

David Bowman, AQD, Sharon LeBlanc, AQD, conducted an onsite inspection of Lambda Forest 24 CPF on 3-16-22, that is covered by PTI 650-96. NO violations were noted during inspection. While onsite we met a Lambda worker Lee that explained the process at the site and answered our questions.

The site is located at 10901 Canada Creek Hwy. Traveling North on M33 from Atlanta approx 16 miles then turn West on Canada Creek Highway. Travel approx 2.7 miles and the entrance is on the north side of the road. The facility is far enough off the road that it is not completely visible from the road. A set of open gates without marking is at the road, the drive winds through the woods for approx 0.25 miles passing a well site and then comes to the marked gate. The facility has a gate at both east and west side that were open.

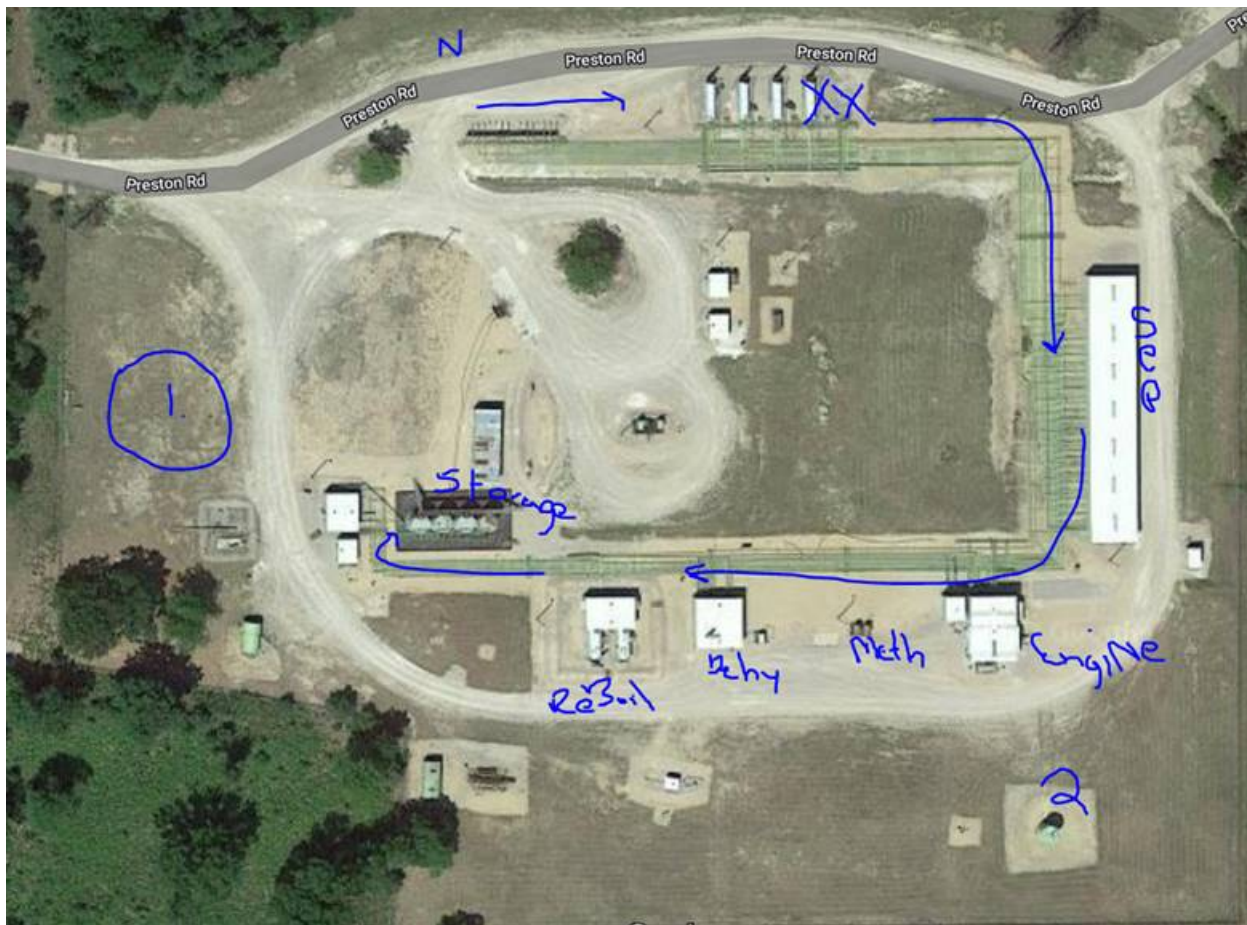
The site was sanded and roads/trails are well maintained. The process gas/oil enters on the north side of the facility and is initially heated by one of three operational preheaters. Two of the preheaters are out of service. There was a minimal heat shimmer coming out of the middle preheater, but no discernable odors or emissions. The other two stacks were warm to the touch and flow could be heard from the preheaters. Once the preheaters are complete the product flows to the east side of the plant into a bank of separators that pulls water from the product. The product is then sent to the southern part of the facility into a glycol dehydrator and then moved to a Heat Treater to further separate (in separate buildings on the south side of CPF). The oil is sent to the holding tanks (4x400 bbl tanks) and then is pumped off site when the proper level is reached. There has been in the past infrequent times of truck transportation and due to a recent decision to turn the out flow pipe line into a dry line they anticipate going back to trucking.

On the date of our inspection the CPF was not producing oil based upon the read outs on the flow analyzer in the reboiler building showing 0.00 bbls/day production.

There was a slight hint of intermittent petroleum smell in the air surrounding the buildings where the initial separating, the compressor, and the glycol dehy are. They were very minimal. In the

building housing the Heater Treater there was a stronger odor, but that is likely due to being enclosed.

The compressor is a Waukesha Motor, but has no data plate observable that indicates the BTU rate or engine size. Previous reports stated a Waukesha engine was onsite, I believe that this is the same engine as previously seen based upon the outward appearance and maintenance of the motor. It was operating and the exhaust has no control exiting the building horizontally at approx 16' above ground, heading to a 90 elbow and then vertical for 3-4'. There was a heat shimmer, but no visible emission.



(1) upon entry we noticed to skids with motors (from other sites) are being stored.

(2) On the south side of the facility is a large cylindrical housing with a stack extending unobstructed vertically. The stack appeared to be 8-12' and 8-10" diameter. We could not find where the piping to it came from. But there was a visible sheen appeared to be coming from the top of the stack. Lee told us it was the blown down reservoir and that when it was full of condensate it would be pumped out. He said it rarely has to get pumped. The tank is exempt under R336.1284 (2)(e).





Between the compressor building and the dehy is two methanol barrels (55 gallon size) with pumps and steel lines running from it along the other piping on site. It is part of a closed cooling system. They are in secondary containment.



A records review was completed 2-14-22 and found the site to be compliant with requirements of PTI 650-96.

NAME _____

DATE _____

SUPERVISOR _____