

DEPARTMENT OF ENVIRONMENTAL QUALITY  
AIR QUALITY DIVISION  
ACTIVITY REPORT: Scheduled Inspection

P048223855

FACILITY: Aaron Elek III Estate - Wendt 2-34		SRN / ID: P0482
LOCATION: S1/2 SE 1/4 SW1/4 Sec 34 T15N R4E, KAWKAWLIN		DISTRICT: Saginaw Bay
CITY: KAWKAWLIN		COUNTY: BAY
CONTACT: Ashley Clements, Personal Representative		ACTIVITY DATE: 11/19/2013
STAFF: Benjamin Witkopp	COMPLIANCE STATUS: Non Compliance	SOURCE CLASS:
SUBJECT: Inspection of oil production facility with OOGM staff		
RESOLVED COMPLAINTS:		

The Aaron Elek III estate operates several crude oil production facilities in Bay County. The sites produce oil from the Detroit River Sour Zone. One of the sites is known as the Wendt 2-34 located at S 1/2, SE 1/4, SW 1/4 Sec 34, T15N R4E, in Kawkawlin, Michigan. Ben Witkopp from the Michigan Department of Environmental Quality (MDEQ) Air Quality Division (AQD) and Andrew Kent from the Office of Oil, Gas, and Minerals (OOGM) reviewed existing OOGM data to determine the facility's compliance with the requirements of OOGM and AQD regulations.

Based upon existing OOGM data, and assuming an 8 hr day of operation, the facility would emit about 9.6 # of SO<sub>2</sub> per hr. Additionally, greater than 28 pounds of H<sub>2</sub>S would be burned per day. These values would require an air use permit and also a shutdown system in the event of pilot light failure. The facility does not have an air permit. This is an AQD Rule 201 violation based upon the existing data.

The site was visited by AQD and OOGM staff on November 19, 2013. The facility was not pumping oil at the time. There was no flare pilot present and consequently there was no shutdown system in the event of pilot light failure. Both of these conditions are violations of AQD Rule 403. The lack of a shutdown is also a violation of OOGM Rule 1123.

The flare was estimated to be about 24 ft. The OOGM required H<sub>2</sub>S signage for the site was appropriate as was the gate and SCBA sign at the base of the steps for ascending the tank. A vapor return line for use during load out was present.

Additionally, several OOGM violations were noted. Oily residue was found at the flare and by the loadout in violation of OOGM Rules 1002 and 1006. A storage tank had a bad hatch which was causing odors in violation of OOGM Rule 1122. The site also needed flow line markers which is a violation of OOGM Rule 1120.

The next step is to have the facility conduct H<sub>2</sub>S concentration testing and also determine the flow of produced gas per OOGM Rule 1105. The data obtained could then be reviewed to determine applicable AQD and OOGM regulations based upon current operating conditions.

A violation notice will document the aforementioned AQD and OOGM violations and request testing.

NAME B. Z. WitkoppDATE 12-19-13SUPERVISOR C. Nave