

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

N135574275

FACILITY: RIVERSIDE - FOSTER 28 CPF		SRN / ID: N1355
LOCATION: HEATH ROAD, ROSE CITY		DISTRICT: Bay City
CITY: ROSE CITY		COUNTY: OGEMAW
CONTACT: Natalie Schrader , Senior Compliance Coordinator		ACTIVITY DATE: 10/22/2024
STAFF: Nathanael Gentle	COMPLIANCE STATUS: Compliance	SOURCE CLASS: SM OPT OUT
SUBJECT: Scheduled On-site Inspection FY25		
RESOLVED COMPLAINTS:		

On October 22, 2024, AQD staff conducted a scheduled onsite inspection of Riverside Foster 28 CPF, SRN N1355. The purpose of the inspection was to determine compliance with the Federal Clean Air Act; Article II, Part 55, Air Pollution Control of Natural Resources and Environmental Protection Act, 1994 Public Act 451; Michigan Department of Environment Great Lakes and Energy, Air Quality Division (AQD) Administrative Rules and Permit to Install (PTI), PTI No. 655-96. AQD staff onsite included Nathanael Gentle and Erin Sheridan with the Bay City District Office. Staff were assisted onsite by John Nelson, Production Foreman. Inspection coordination and supplemental information was provided by Natalies Schrader, Sr Compliance Coordinator. The facility was not operating at the time of inspection. At the time of inspection, the facility was found to be in compliance.

Facility Description and History

The Riverside- Foster 28 CPF is located in Rose City, Ogemaw County, MI. The facility is located approximately 1.5 miles east of the intersection of Fairview Rd and Heath Rd. Bounded by state land on all sides, there are no residences in the immediate vicinity of the facility. The road leading up to the facility is a maintained gravel road.

As a central processing facility, the facility extracts condensate consisting of oil, natural gas, water, and other liquids from eight different wells located near the facility. Wells pull sweet condensate which is then brought to the facility for processing in which components are separated into oil condensate, natural gas condensate, and water. Oil condensate is trucked out and sent to sales. Natural gas is sent to sales pipeline. Water is reinjected.

Riverside- Foster 28 CPF is a synthetic minor source for NO_x, CO, VOCs, and HAPs. One active Permit to Install (PTI) is associated with the facility, PTI No. 655-96. The permit was originally issued to Shell Western E&P. Prior to issuance of PTI No. 655-96, a previous permit was associated with the facility, PTI No. 343-86. Also issued to Shell Western E&P, PTI No. 343-86 was voided on April 17, 2000. The facility was originally built and operated by Shell Western E&P. Throughout the years the facility has gone through changes in ownership. The facility is now operated as a Riverside facility.

The facility was last inspected in April 2021. The facility was found to be in compliance during the April 2021 inspection. There are no complaints or letters of violation associated with the facility.

The facility was not in operation at the time of inspection. The facility was reported to not been operated since the last inspection in April 2021. During the April 2021 inspection, the facility had reportedly not been operated since January 2019. While the facility has not been operated for many years, staff report Riverside is planning to commence operation of the facility in the future. An exact timeline of when operation would commence could not be provided. Staff report the company is currently assessing the facility to determine what repairs and equipment changes need to be made prior to commencing operation.

Compliance Evaluation

Being the facility was not in operation, the onsite inspection consisted of verifying what equipment was onsite and reviewing what processes and procedures would take place during normal operation. As the facility has undergone changes in ownership throughout the years, the equipment and procedures used onsite changed. As these changes were made, new equipment was installed while much of the old equipment remained onsite, not in use. Below is a table summarizing the equipment observed while onsite and whether it would be operated during normal operation activities.

Equipment	Operated During Normal Operation	Comments
Caterpillar Engine and Ariel Compressor Package	Yes	Reciprocating, internal, combustion engine (RICE) is reported to be remote SI, 4-stroke, lean burn of >500 hp. Construction date reported to be 1994.
Two horizontal separators	No	Still in place onsite, but not operated.
Glycol Dehydrator	No	The original glycol dehydrator is still onsite. However, no pipes are connected to the equipment.
Glycol Dehydrator	Yes	Rated at 200,000 Btu.
Two vertical, 2-phase separators	Yes	Located in same building as the glycol dehydrator and heater treater.
Heater Treater	Yes	Located in the same building as the glycol dehydrator and separators.
Four 400-bbl Crude Oil ASTs	Yes	Plumbed for vapor recovery.
Horizontal AST	Yes	Approximate volume of 738 bbl. Will be used for NGL storage.

Crude Oil Loadout Station	No	The original crude oil loadout station is still located onsite at the west end of the facility.
Crude Oil Loadout Station	Yes	The loadout station that would be used during normal operations is located in front of the above ground storage tanks.
Saltwater Storage Tank	Yes	400 bbl salt water is sent to the storage tank before being reinjected into the ground.
Miscellaneous Storage Containers	Yes	Various storage containers were observed onsite for storing materials such as methanol and fuel. Based on sizes and contents, containers appear to meet one or more R.284 exemptions.
Flare	Yes	A flare is located onsite. Facility personnel said the flare is used during compressor blowdowns and can be used in emergencies.
Two inline heaters	No	Observed onsite. Facility does not plan to use.

When operating, condensate is pumped from the wells to the facility where it first passes through 2 vertical two-phase separators. The two-phase separators separate the mixture into 2 parts, oil and other liquids, and gas. The oil and water mixture is then sent a heater treater to separate the components. Water is sent to the water storage tank until it is reinjected at the reinjection well. After the heater treater, the oil is sent to one of the four above ground storage tanks where it will eventually be trucked offsite. Water is removed from the gas using a glycol dehydrator. Staff report the facility is looking into installing a JT skid to remove natural gas liquids (NGLs). The removed NGLs would be sent to the horizontal AST. AQD staff encouraged facility personnel to ensure a JT skid was exempt from needing a PTI prior to installation of the equipment. The facility utilizes a compressor to boost the pressure of the natural gas prior to sending gas to the sales pipeline.

Conditions within PTI 655-96 require records be maintained by the facility. Being the facility has not been operated since January 2019, records were not requested. While records were not requested, AQD staff verified the facility has procedures in place to ensure the appropriate records are maintained once operation of the facility commences.

Special condition (S.C.) 16 requires that process data be tracked, and records maintained for two years of: monthly fuel consumption, in MMcf, monthly crude/condensate throughput to the tanks, in bbls, monthly hydrocarbon liquid trucked, in bbls, and glycol circulated through the dehydrator, in gallons per minute (gpm). Onsite personnel said when a facility is operated, these values are collected daily by onsite personnel. Fuel consumption is measured by meters on the equipment. Crude oil/ condensate throughput and liquid trucked are measured and calculated using gages dropped in the tanks that monitor fluid levels within the tanks. Gas processed at the facility is measured using gas flow meters to sales. The information collected is then provided to environmental personnel. Process data collected will then be used to calculate emissions of Carbon Monoxide (CO), Volatile Organic Compounds (VOC), Oxides of Nitrogen (NOx), and Hazardous Air Pollutants (HAP) to demonstrate compliance with S.C. 13 and S.C. 14. Emissions of CO, VOC and NOx shall not exceed 99 tons per year based on a twelve-month rolling period, S.C. 13. The annual emission rate of any individual HAP shall be maintained below 10 tons per year based on a 12-month rolling period and the annual emission rate a total HAPs shall be maintained below 25 tons per year based on a 12-month rolling period, S.C. 14. Actual emission levels are required to be reported annually, S.C. 18. This requirement is met with annual report submittals to the AQDs emission reporting database. The facility has historically submitted reports in a timely manner.

The facility is required to conduct all necessary maintenance and make all necessary attempts to keep all components of the process equipment in proper operating conditions. In addition, the facility shall maintain a log of all significant maintenance activities conducted and all repairs made, S.C. 19. Staff report maintenance will be completed by facility personnel or external contractors. Staff report records of all maintenance activities will be maintained.

Special Condition 24 requires that the facility only processes sweet gas, as defined in Rule 119. Staff report only sweet gas will be processed at the facility.

Operation of oil and gas production facilities with a crude oil or condensate storage tank having a capacity equal to or greater than 952 barrels, and the crude oil or condensate having a true vapor pressure of greater than 1.5 psia, shall not operate the tank(s) unless the pollution control equipment is installed and operating properly, S.C.20. Being all crude oil and condensate storage tanks onsite have a capacity less than 952 barrels, S.C.20. is currently not applicable.

Pursuant to S.C. 22, records of determination were requested for applicability to the Federal Standards of Performance for New Stationary Sources as specified in 40 CFR, Part 60, Subpart KKK, Onshore Natural Gas Processing Facilities. A statement was provided stating the facility is currently shut down and has been since 2019. When it did run, the facility did not extract natural gas liquids from field gas and therefore, is not subject to Subpart KKK requirements. If the facility is used to extract natural gas liquids from field gas in the future, it is the responsibility of the facility to ensure compliance with the requirements of 40 CFR, Part 60, Subpart KKK.

The onsite compressor engine appears to be subject to 40 CFR Part 63, Subpart ZZZZ, National Emissions Standards for Hazardous Air Pollutants for Stationary Reciprocating Internal Combustion Engines. As an area source, the AQD does not have delegated authority. The facility is encouraged to ensure compliance with the regulation is maintained. The engine is reported to have been constructed in 1994. Being the construction date is before 7/1/2007, the RICE located at the facility does not appear to be subject to the 40 CFR 60, Subpart JJJJ.

Summary

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MI. One active Permit to Install (PTI) is associated with the facility, PTI No. 655-96. The facility was not in operation at the time of inspection. At the time of inspection, the facility was found to be in compliance.

NAME Nathanael Lente

DATE 11/27/2024

SUPERVISOR [Signature]