DEPARTMENT OF ENVIRONMENTAL QUALITY AIR QUALITY DIVISION

ACTIVITY REPORT: Scheduled Inspection

| 2056248964 | | |
|--|-----------------------------------|---------------------------|
| FACILITY: Cobra - State Marion & Riverside 14-36 | | SRN / ID: P0562 |
| LOCATION: SW 1/4 of NE/4, Section 36, T21N R7W, MCBAIN | | DISTRICT: Cadillac |
| CITY: MCBAIN | | COUNTY: MISSAUKEE |
| CONTACT: | | ACTIVITY DATE: 05/28/2019 |
| STAFF: Kurt Childs | COMPLIANCE STATUS: Non Compliance | SOURCE CLASS: MINOR |
| SUBJECT: Compliance Inspe | ection. | |
| RESOLVED COMPLAINTS: | | |

I conducted an inspection of this oil and gas production and processing facility to determine compliance with the Air Pollution Control Rules. This facility was originally installed with a PTI application (172-14) submitted after the fact. The facility changed hands from Whiting Oil and Gas to Cobra Oil and Gas and the PTI application was withdrawn. No demonstration of compliance with the exemptions has been made since though it appears the compressor engine, heaters, and tanks are exempt. The dehydrator does not appear to be exempt.

The Cobra Oil and Gas State Marion and Riverside 14-36 facility includes the State Marion and Riverside 14-36 well, 4 tanks for crude and produced water, 1 gas compressor and engine, 1 glycol dehydrator, and 2 heaters. No gas or oil comes into the facility from off-site wells.

At the time of the inspection the weather was overcast, 60 degrees, with SE winds at 10 mph. The compressor engine was running as was the dehy. There were no visible emissions from any stacks except for vapors from the dehy vent that were producing moderate odors. The tanks are located within containment but are not equipped with vapor recovery.

The compressor engine is a Waukesha F-1197-G which is an in-line 6 cylinder and matches what was previously observed on-site. The engine is not equipped with a catalytic converter. The engine was running at 1042 rpm with 55 psi oil pressure. No recent inspection logs were present to compare these readings to. This engine is rated at 1.44 MMBtu, which would meet the R 285(g) exemption.

Heaters on site are also all under 10 MMBtu and would meet the R 285(g) exemption.

The tanks each store less than 40,000 gallons of crude oil which is consistent with the R 284(e) exemption.

The glycol dehydrator does not appear to meet the R 288 exemption because it is not processing gas from the Antrim Zone and is not be located at an oil well site (the well on site is a gas well). Also, the dehy is not controlled by a condenser or equivalent control device which is required by the exemption. There is an accumulation tank on the reboiler vent, but this is not the same as a condenser as evidenced by the presence of odors.

OGM staff verified that the State Marion and Riverside 14-36 well is classified as a gas well, not an oil well.

As a result of this inspection the AQD has determined that Cobra Oil and Gas is in violation of Rule 201 and must permit the glycol dehydrator.

NAME

DATE 5-28-19

SUPERVISOR