



RICK SNYDER
GOVERNOR

STATE OF MICHIGAN
DEPARTMENT OF ENVIRONMENTAL QUALITY
SAGINAW BAY DISTRICT OFFICE



C. HEIDI GREYER
DIRECTOR

July 7, 2017

Mr. Jeff Adler, President
Tuscola Energy Inc
7998 M-25
Akron, Michigan 48701

SRN: N1586, Tuscola County

Dear Mr. Adler:

VIOLATION NOTICE

On May 12, 2017, staff from the Department of Environmental Quality (DEQ) – Air Quality Division (AQD) visited the office of Tuscola Energy Inc. to discuss permitting issues. A request for records of the Nixon Farms crude oil production facility was made. The site is covered by AQD permit 20-12A.

After reviewing the records the following violations were noted.

Process Description	Rule/Permit Condition Violated	Comments
Nixon Farms crude oil production facility	FG-Oilproduction II 1.	Limit of 96.2 lbs. exceeded 4 times in February 2017 (2/3 – 2/6)
	FG-Oilproduction II 2.	Limit of 84.5 lbs. exceeded 16 times (1/24 & 26, 2/1 – 2/13, and 2/20)
	FG-Oilproduction II 3.	Limit of 29 lbs. exceeded 43 times (1/23 – 3/6)

It should be noted that continued discussions revealed the oil wells are left open when not pumping thereby allowing sour gas to flow at all times.

Please initiate actions necessary to correct the cited violations and submit a written response to this Violation Notice by July 28, 2017. The written response should include: the dates the violations occurred; an explanation of the causes and duration of the violations; whether the violations are ongoing; a summary of the actions that have been taken and are proposed to be taken to correct the violations and the dates by which these actions will take place; and what steps are being taken to prevent a reoccurrence.

A program for compliance may include a completed PTI application. An application form is available by request, or at the following website: www.michigan.gov/deqair (in the shaded box on the upper right hand side of the page).

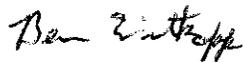
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If Tuscola Energy Inc. believes the above observations or statements are inaccurate or do not constitute violations of the applicable legal requirements cited, please provide appropriate factual information to explain your position.

It should be noted the facility is subject to the conditions of a Consent Order (AQD 37-2015, OOGM 2997) which was effective as of December 17, 2015. The violations presented above may result in stipulated penalties for the facility.

Thank you for your attention to resolving the violations cited above. If you have any questions regarding the violations, please contact me at the telephone number below.

Sincerely,



Ben Witkopp
Environmental Engineer
Air Quality Division
989-894-6219

cc/via e-mail: Ms. Lynn Fiedler, DEQ
Ms. Mary Ann Dolehanty, DEQ
Mr. Chris Ethridge, DEQ
Mr. Thomas Hess, DEQ
Mr. Chris Hare, DEQ
Mr. James Armbruster, DEQ