

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

N609653881

FACILITY: Lambda Energy Resources LLC - Otsego 10		SRN / ID: N6096
LOCATION: 8151 AMOCO RD, GAYLORD		DISTRICT: Gaylord
CITY: GAYLORD		COUNTY: OTSEGO
CONTACT:		ACTIVITY DATE: 06/09/2020
STAFF: Bill Rogers	COMPLIANCE STATUS: Compliance	SOURCE CLASS: SM OPT OUT
SUBJECT: Field inspection for FCE		
RESOLVED COMPLAINTS:		

On June 9, 2020, I inspected the Lambda Otsego 10 Central Production Facility.

The facility is just off Amoco Road, a gravel road which goes north from Old State Road east of Old 27. It is south of Gaylord. There was no special difficulty in reaching the site.

The facility is covered by Permit to Install No. 654-96.

Permit 654-96, Special Condition 19, requires maintenance to keep all equipment and control devices in proper operating condition. The facility was not operating at the time of my inspection, but the equipment looked to be in decent condition.

Condition 20 requires pollution control on any tank of capacity greater than 952 barrels. The largest tanks I saw were standard size 400 barrel oil field tanks. Condition 20 also requires pollution control on tanks containing crude oil or condensate with a true vapor pressure greater than 1.5 PSIA. I don't know whether the crude oil in the storage tanks on site had a vapor pressure at this level; however, the tanks are vented to a building which probably contains a vapor recovery unit. This would comply with the permit condition.

#### COMMENTS

The plant was not operating. Lambda personnel have told me that many of their facilities are not operating at the moment. The price of petroleum products is too low at the moment to make it profitable.

I found the following equipment on site:

One glycol dehydrator. I didn't find a builder's plate that would give me the heat input capacity of the burner, but it was a small burner similar in size to others I have seen which were in the 100,000 or 125,000 BTU per hour class. What appeared to be the still vent was 10 feet high and about two inches diameter, exhausting unobstructed vertically upward. The burner stack was about 4 or 5 inches diameter and perhaps 14 feet high, exhausting unobstructed vertically upward.

Two process heaters, perhaps line heaters or heater treaters. The smaller of the two I would guess would have a burner of perhaps 1 million btu per hour, just estimating by the overall size of the unit. It had a stack perhaps 14 inches diameter and 15 feet high. The second process heater was somewhat larger, but seemed to have deteriorated. Some of its concrete-like insulation had crumbled away from the shell.

One small natural gas fired compressor engine with no catalytic oxidizer. The exhaust leaves the shed horizontally to a horizontal muffler and then is directed unobstructed vertically upward through a pipe elbow. I estimated stack dimensions as perhaps 15 feet high and 10 inches diameter.

Tanks: Three 400 barrel tanks inside a berm. Their vents are piped to a nearby building which is probably a vapor recovery unit. Each tank was labeled. One said Water Tank, one said Oil Tank, and the last said Oil Tank Out of Service. There was a truck loadout near the tanks.

Three drum on stilts tanks. One, with a sight gauge graduated to 410 gallons, was labeled Methanol. The

second was also labeled Methanol but its sight gauge was graduated to 500 gallons. The third drum on still tank was piped to the compressor radiator, so probably contained engine coolant.

I saw a small area of stained soil along the driveway in one spot. It might have been evidence of a small spill of oil. It was small, the size of something that might have leaked out of a truck engine or something similar.

Maintenance appeared fair, except for the deteriorated heater treater which looked like it might be out of service. I didn't see any leaks. I didn't smell any odors.

NAME \_\_\_\_\_

DATE \_\_\_\_\_

SUPERVISOR \_\_\_\_\_

William J. Rogers Jr. Digitally signed by William J. Rogers Jr. Date: 2020.06.23 15:05:41 -04'00'

Shane Nixon Digitally signed by Shane Nixon Date: 2020.06.23 15:06:10 -04'00'