



GRETCHEN WHITMER
GOVERNOR

STATE OF MICHIGAN
DEPARTMENT OF
ENVIRONMENT, GREAT LAKES, AND ENERGY
CADILLAC DISTRICT OFFICE



LIESL EICHLER CLARK
DIRECTOR

January 19, 2022

Mr. Jimmy Eichstadt
HSE Manager
Arbor Resources, LLC - Simpson T.
333 West Grandview Parkway, Suite 401
Traverse City, Michigan 49684

SRN: N6235, Kalkaska County

Dear Mr. Eichstadt:

VIOLATION NOTICE

On December 1, 2021, the Department of Environment, Great Lakes, and Energy (EGLE), Air Quality Division (AQD), requested records of Arbor Resources Simpson T facility located at 6250 Cunningham Road in Kalkaska, Michigan. The purpose of the records review was to determine Arbor Resources Simpson T facility compliance with the requirements of the federal Clean Air Act; Part 55, Air Pollution Control, of the Natural Resources and Environmental Protection Act, 1994 PA 451, as amended (Act 451); the Air Pollution Control Rules; and the conditions of Permit to Install (PTI) number 103-97.

Arbor Resources was unable to produce emission records, which is a violation of the recordkeeping and emission limitations specified in Special Conditions SC 15, SC 16, SC 17 and SC 20 of PTI number 103-97. The conditions of PTI number 103-97 require the following records be kept and shall be made available for review upon request by the AQD staff:

- SC #15 - Monthly and 12-month rolling time periods of the actual emission levels for CO, NOx, VOCs, and HAPs;
- SC #16 - Monthly fuel consumption reported in million cubic feet (MMcf);
- SC #16 & #20 - Monthly records of crude/condensate throughput to the tanks, in barrels (bbls);
- SC #16 - Monthly records of hydrocarbon liquid trucked (bbls);
- SC #16 - Glycol circulated through the dehydrator, in gallons per minute (gpm);
- SC #17 - Monthly reports of oil and gas processed.

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Please initiate actions necessary to correct the cited violations and submit a written response to this Violation Notice by January 31, 2022 (which coincides with 21 calendar days from the date of this letter). 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; The dates by which these actions will take place; and What steps are being taken to prevent a reoccurrence.

Please submit the written response to EGLE, AQD, Cadillac District, at 120 West Chapin Street, Cadillac, Michigan 49601 and submit a copy to Ms. Jenine Camilleri, Enforcement Unit Supervisor at EGLE, AQD, P.O. Box 30260, Lansing, Michigan 48909-7760.

If Arbor Resources 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.

Thank you for your attention to resolving the violations cited above. If you have any questions regarding the violations or the actions necessary to bring this facility into compliance, please contact me at the number listed below.

Sincerely,



Caryn Owens
Senior Environmental Engineer
Air Quality Division
231-878-6688

cc: Ms. Mary Ann Dolehanty, EGLE
Dr. Eduardo Olaguer, EGLE
Ms. Jenine Camilleri, EGLE
Mr. Christopher Ethridge, EGLE
Mr. Shane Nixon, EGLE