

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

N650155438

<b>FACILITY:</b> FEDERATED OIL & GAS PROPERTIES		<b>SRN / ID:</b> N6501
<b>LOCATION:</b> GEMBIS McDONALD 1 10 NW SEC10 T26N R10W, EAST BAY TWP		<b>DISTRICT:</b> Cadillac
<b>CITY:</b> EAST BAY TWP		<b>COUNTY:</b> GRAND TRAVERSE
<b>CONTACT:</b> Jim Kostrzewa ,		<b>ACTIVITY DATE:</b> 08/07/2020
<b>STAFF:</b> Jodi Lindgren	<b>COMPLIANCE STATUS:</b> Compliance	<b>SOURCE CLASS:</b> MINOR
<b>SUBJECT:</b> Field inspection and records review for FY 2020 FCE		
<b>RESOLVED COMPLAINTS:</b>		

**FACILITY DESCRIPTION**

On Friday August 7 2020, Jodi Lindgren of the Department of Environmental, Great Lakes, and Energy (EGLE) – Air Quality Division (AQD) conducted an unannounced field inspection of Federated Oil & Gas Properties (Federated) – Gembis-McDonald CPF Site located East Arbutus Lake Road approximately 0.2 miles southwest of the intersection of Weber Road and East Arbutus Lake Road in section 10, T26N-R10W of East Bay Township, Grand Traverse County, Michigan, 49696. The facility was operating and unmanned at the time of inspection. Facility records for July 1, 2019 to June 30, 2020 were provided by Federated according to AQD request.

The Gembis-McDonald CPF is an opt-out facility with PTI 240-98A issued on September 6, 2006. The facility consists of a tank battery with eight 400-barrel storage tanks, a compressor building which houses a compressor and an Arrow VRG 330 Crossflow engine with the serial number C-6912 CCF and build date of June 11, 2012, and a glycol dehydration unit not housed in a building, and two pump-jacks. All equipment at the facility is considered exempt with the exception of the glycol dehydration unit.

**SCHEDULED INSPECTION**

**A. EUDEHY – Glycol dehydration system (Dehy) processing natural gas from the Niagaran zone. At the time of inspection, the dehy was operating.**

**1. Emission Limits –PTI 240-98A established EUDEHY emission limits of 8.0 tpy of VOC and 0.53 tpy of Benzene on a 12-month rolling time period. The records indicate EUDEHY emissions of 6.161 tpy of VOC and 0.00065 tpy of Benzene calculated for a 12-month rolling time period of July 2019 to June 2020.**

**2. Material Usage Limits – Stripping gas shall not be used in EUDEHY. According to Federated, no stripping gas is used.**

**3. Process/Operational Limits– The glycol recirculation rate for EUDEHY shall not exceed a maximum of 0.25 gallons per minute. Records provided by Federated indicate a recirculation rate of 0.133 gallons per minute.**

**4. Testing – The PTI requires an analysis of the wet gas stream at least once per calendar year. Federated provided a certificate of analysis completed by SPL Traverse City Laboratory from a sample collected July 31, 2020. The analysis reported a breakdown of all required components.**

**5. Monitoring – The glycol recirculation rate for EUDEHY on a monthly basis. Federated provided records indicating a monthly average recycling rate of 0.133 gallons per minute.**

**6. Recordkeeping/Reporting/Notification – VOC and Benzene emission rates shall be calculated and recorded for each calendar month and 12-month rolling time period. A wet gas composition analysis shall be complete for each calendar year. Monthly records of the glycol re-circulation rate shall be kept. Federated provided all the records to demonstrate compliance.**

**7. Stack/Vent Restrictions – PTI 240-98A dictates a stack with a maximum exhaust diameter of two inches and a minimum height above ground level of 10 feet. The engine exhaust stack appeared to meet these requirements during the inspection.**

**EVALUATION SUMMARY**

**Conclusion – Based upon the Full Compliance Evaluation, it appears the source was in compliance with PTI 240-98A at the time of the evaluation.**

NAME \_\_\_\_\_

DATE \_\_\_\_\_

SUPERVISOR \_\_\_\_\_