



RICK SNYDER
GOVERNOR

STATE OF MICHIGAN
DEPARTMENT OF ENVIRONMENTAL QUALITY
SAGINAW BAY DISTRICT OFFICE



C. HEIDI GREYER
DIRECTOR

November 7, 2016

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

SRN: N8275, Tuscola County

Dear Mr. Adler:

VIOLATION NOTICE

On August 24, 2016, the Department of Environmental Quality (DEQ) visited your M & D Downing crude oil production facility located at 5460 Elmwood in Akron, Michigan. The purpose of this inspection was to determine your facility's compliance with the requirements of the federal Clean Air Act and Part 55, Air Pollution Control, and Office of Oil Gas and Minerals (OOGM) Part 615, Supervisor of Wells, of the Natural Resources and Environmental Protection Act, 1994 PA 451, as amended (Act 451). The facility is also covered by air use permit 106-13 issued by the DEQ – Air Quality Division (AQD).

During the visit, the following violations were noted:

Process Description	Rule/Permit Condition Violated	Comments
M & D Downing 2	AQD PTI 106-13 FG-Downing2 IV 1	PTI requirement for shutdown in case of pilot flame failure is to cease fluid flow from the Downing 2 into facility. However, no typical murphy switch style shutdown was present. Additionally, the pump jack motor is electrically powered. Electric kill could not be confirmed and if it is in place a permit modification is in order. Broken wire at top of flare – either thermocouple or sparker.
	OOGM R324.1123	The OOGM rule mirrors the AQD requirement
M & D Downing 2	OOGM R324.1119(2)	H2S warning sign missing at well head.
M & D Downing 2	OOGM R324.701	No load out containment.

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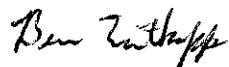
Please initiate actions necessary to correct the cited violations and submit a written response to this Violation Notice by November 28, 2016. The written response should include: the dates the violations occurred; an explanation of the causes and duration of the violations; whether the violations are 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.

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, or the actions necessary to bring this facility into compliance, 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