



GRETCHEN WHITMER  
GOVERNOR

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



LIESL EICHLER CLARK  
DIRECTOR

March 16, 2021

Mr. Jeff Adler, President  
Tuscola Energy Inc.  
920 North Water Street, Suite 201  
Bay City Michigan 48708

SRN: P0388, Tuscola County

Dear Mr. Adler:

**VIOLATION NOTICE**

On December 23, 2020 and January 15, 2021, the Department of Environment, Great Lakes, and Energy (EGLE), Air Quality Division (AQD), conducted inspections of Tuscola Energy Inc.'s Walat A4-26 and Walat A5-26 crude oil production facility located in Wisner Township, Akron, Michigan. The purpose of these inspections was to determine Tuscola Energy Inc.'s 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) numbers 171-11B and 171-11A. PTI No. 171-11B is a limited term permit to facilitate production testing. The facility is subject to the conditions of a Consent Order (AQD 37-2015, OOGM 2997).

During the inspection, staff observed the following:

Process Description	Rule/Permit Condition Violated	Comments
Walat Farms A4-25 and A5-25 crude oil production facility PTI No. 171-11B	171-11B SC III (3)	Material limit of 500 pounds per day was exceeded twice. (543 and 519 pounds)
	171-11B IV SC (1b)	Shutdown system is ineffective. Minimum flare pilot flame detection temperature is set at only 200°F
	171-11B SC IV (4)	No vapor return present for use during oil load out
	171-11B SC VI (4)	No records of SO2 emissions
	171-11B SC VI (5)	Hours of operation not recorded
Walat Farms A4-25 and A5-25 crude oil production facility PTI No. 171-11A	171-11A SC II (1)	Material limit of 100 pounds per day was exceeded three times. (375, 382, and 147 pounds)
	171-11A SC IV (1b)	Shutdown system is ineffective. Minimum flare

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		pilot flame detection temperature is set at only 200°F
	171-11A SC IV (4)	No vapor return present for use during oil load out

Please initiate actions necessary to correct the cited violations and submit a written response to this Violation Notice by April 6, 2021 (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 and 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, Bay City District, at 401 Ketchum St Suite B, Bay City, Michigan 48708 and submit a copy to Ms. Jenine Camilleri, Enforcement Unit Supervisor at EGLE, AQD, P.O. Box 30260, Lansing, Michigan 48909-7760.

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 and for the cooperation that was extended to me during my inspection. 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,



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

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