



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



GRETCHEN WHITMER
 GOVERNOR

LIESL EICHLER CLARK
 DIRECTOR

May 31, 2019

Mr. Rory Edwards
 Cobra Oil and Gas Corporation
 2201 Kell Boulevard
 PO Box 8206
 Wichita Falls, Texas 76307

SRN: P0562, Missaukee County

Dear Mr. Edwards:

VIOLATION NOTICE

On May, 22, 2019, the Michigan Department of Environment, Great Lakes, and Energy (EGLE), Air Quality Division (AQD), conducted an inspection of The State Marion and Riverside 14-36 located at SW1/4 of NE/4, Section 36, T21N R7W, McBain, Michigan. The purpose of this inspection was to determine Cobra Oil and Gas Corporation'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); and the Air Pollution Control Rules.

During the inspection, staff observed the following:

Process Description	Rule/Permit Condition Violated	Comments
Glycol Dehydration	R 336. 1201(1)	The glycol dehydration process equipment at the facility was installed and is being operated with out first obtaining a Permit to Install.

During this inspection, it was noted that Cobra Oil and Gas Corporation had commenced operation of unpermitted equipment at this facility. Furthermore, it was noted that the equipment does not qualify for exemption under R 336.1288(2)(b) because it is not located at an oil well site and controlled by a condenser, or only processes gas from the Antrim zone. This is a violation of Rule 201 of the administrative rules promulgated under Act 451.

A program for compliance may include a completed PTI application for the glycol dehydration process equipment. An application form is available by request, or at the following website: www.michigan.gov/air (in the shaded box on the upper right-hand side of the page).

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Be advised that Rule 201 requires that a permit be obtained prior to installation, construction, operation, reconstruction, relocation, or alteration of any process or process equipment which may be a source of an air contaminant.

Please initiate actions necessary to correct the cited violation and submit a written response to this Violation Notice by June 20, 2019 (which coincides with 21 calendar days from the date of this letter). The written response should include: the dates the violation occurred; an explanation of the causes and duration of the violation; whether the violation is ongoing; a summary of the actions that have been taken and are proposed to be taken to correct the violation 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, 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 Cobra Oil and Gas Corporation 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 violation cited above. If you have any questions regarding the violation or the actions necessary to bring this facility into compliance, please contact me at the number listed below.

Sincerely,



Kurt Childs
Senior Environmental Quality Analyst
Air Quality Division
231-878-2045 / ChildsK@Michigan.gov

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