

STATE OF MICHIGAN DEPARTMENT OF ENVIRONMENT, GREAT LAKES, AND ENERGY

GRAND RAPIDS DISTRICT OFFICE



SRN: P1173, Muskegon County

March 29, 2021

Mr. Ken Prior, Operations Manager Omimex Energy – White River Productions LLC 4854 West Angling Road Ludington, Michigan 49431

Dear Mr. Prior:

VIOLATION NOTICE

On February 2, 2021, the Department of Environment, Great Lakes, and Energy (EGLE), Air Quality Division (AQD), conducted an inspection of Omimex Energy - White River Production LLC located at 11165 Chase Road, Montague, Michigan. The purpose of this inspection was to determine Omimex Energy - White River Production LLC '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
Oil and natural gas production	Rule 201	Failure to obtain a permit to install prior to construction.
Natural gas sweetening (Amine Plant)	Rule 403(6)	Construction of a Sweetening Facility within the 1,300-ft residential setback requirement without proper authorization from the Department.

During this inspection, it was noted that Omimex Energy - White River Production LLC had installed and commenced operation of unpermitted equipment at this facility. The AQD staff advised Mr. Prior on March 10, that this is a violation of Rule 201 of the administrative rules promulgated under Act 451.

Rule 403(6) of Michigan's Air Pollution Control Rules prohibits the installation of a sweetening facility within 1,300 feet of a residence without proper authorization from the department. The nearest residential property is within 1,300 feet of the amine plant. The distance from the northeast corner of the Amine plant to the southeast corner of the residential dwelling is approximately 1,213 feet. Proper authorization was required prior to installation.

A program for compliance may include a completed PTI application for the oil and natural gas production 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 violations and submit a written response to this Violation Notice by April 20, 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.

In addition, please provide a facility-wide Potential to Emit (PTE) demonstration for all pollutants at the source. Information on calculating PTE can be found at http://www/michigan.gov/air. Choose the "Permits" Tab, then "Air Permitting-Potential to Emit" under the Air Permitting Assistance Heading.

Please submit the written response to EGLE, AQD, Grand Rapids District, at 350 Ottawa Avenue NW, Unit 10, Grand Rapids, Michigan 49503 and submit a copy to Ms. Jenine Camilleri, Enforcement Unit Supervisor at EGLE, AQD, P.O. Box 30260, Lansing, Michigan 48909-7760.

If Omimex Energy - White River Production LLC 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 and for the cooperation that was extended to me during my inspection of Omimex Energy - White River Production LLC. 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,

Chris Robinson

Environmental Quality Analyst

Air Quality Division

616-286-0083

cc: Ms. Mary Ann Dolehanty, EGLE

Dr. Eduardo Olaguer, EGLE

Ms. Jenine Camilleri, EGLE

Mr. Christopher Ethridge, EGLE

Ms. Heidi Hollenbach, EGLE

Mr. Louis Schineman, OGLM

Mr. Staff Dusenbury, OGLM