



April 19, 2021

EGLE, ADQ

Grand Rapids District  
350 Ottawa Avenue NW, Unit 10  
Grand Rapids, Michigan 49503

Ms. Jenine Camillari  
Enforcement Unit Supervisor  
EGLE, AQD  
P.O. Box 30260  
Lansing, Michigan 48909-7760

Re: Violation Notice

SRN: N2096 Oceana County  
Omimex-Claybanks 2 Facility  
Dated March 29, 2021



Air Quality,

**Omimex does not feel that the two observations noted in the March 29, 2021 Violation Notice that was received via mail on April 2, 2021 where Mr. Chris Robinson is stating that Omimex did not get a Permit to Install (PTI) to construct and operate the small Amine fuel unit and the Emergency Flare are accurate and do not constitute violations.**

The Author of this Violation Notice, Mr. Chris Robinson was also the inspector on February 2, 2021 who wrote up a 9 page inspection report dated March 26, 2021 that was emailed to Ken Prior on March 29, 2021 in which there were many errors in Mr. Robinson's statements. Omimex should have had a chance to respond to this 9 page inspection report, before a violation letter was sent out.

**In the Violation Notice, Mr. Robinson is implying to everyone cc'd in the letter to Air Quality and OGMD that Omimex Energy has been operating an Amine Unit and a flare at the subject facility, where we never applied for a Permit to Install for construction and/or operation of such equipment. This is very misleading and I would like to have had a chance to respond.**

Omimex has worked with 8 or 9 Air Quality Personnel over the years with many years of experience in permit writing along with field inspections every 3 years, since 2007 including an inspection with Mr. Robinson in 2017 in which everything was compliant until 2021 where Mr. Robinson all of a sudden has a difference of opinion and issues two violations.

I personally feel that that Mr. Robinson sudden difference of opinion has to do with our White River facility, where he is issuing the same violations, as we were told in 2007 by Air Quality that we did not need a Permit to Install, because our engine at White River is below 100 tons Potential to Emit (PTE) and our actual is less than 40 tons and all of our other equipment is exempt because our flare burns a sweet gas pilot and our Amine Unit to sweeten fuel gas and dehydrator are in a closed loop process and we would be under OGMD hydrogen sulfide Management rules for the flare.

If Mr. Robinson went along with what every 8 to 9 Air Quality personnel did since 2007 at Claybanks and Victory, including the 2007 PTI and every 3 year inspection at both Claybanks and Victory, **he would have no argument at White River**, since its flare operates under EGLE's , OGMD Hydrogen Sulfide Management rules and the enclosed (closed loop) system is recognized by OGM in their order at White River. **Therefore, he now has a difference of opinion in 2021 at Claybanks, so he can try to apply it at White River.**

With advice of Air Quality in 2007, it was decided that Claybanks needed an Opt Out Air Permit because the compressor engine was above the 100 tons of PTE of NOX and actual was over 40 tons, where White River did not need a permit recognized by Air Quality, as its engine were below these criteria's. **Omimex Energy fully disclosed in its PTI application of 2007 at Claybanks (which is attached with the Chronological History letter), where I highlighted in yellow the verbiage of the Amine plant mentioned 8 times and the flare 4 times that is in the equipment description, flow process and equipment layout.** There is also a permit condition 3.2 in the Claybanks final 2007 permit that addresses the flare, so how can Mr. Robinson state that Omimex never disclosed in its application in 2007 the Amine unit and flare. **If his argument is that Air Quality exempted it back in 2007, how is that a violation to Omimex?**

Omimex Energy has not used the Compressor Engine (Model L5108GU) 650 HP at Claybanks since March of 2017, which has been disconnected at the suction and discharge along with the fuel gas connection. I expressed to Mr. Robinson during our February 2, 2021 inspection that it would be in dire need of a total overhaul and that we wish to take it off the permit, which would get us under the 100 tons PTE of which an opt out permit would no longer be required. It is not functional as Mr. Robinson states. **I want to make it official here that we have retired the compressor engine as it is not capable of running and is disconnected at both the suction inlet and discharge along with its fuel source and is no longer needed as there is no pipeline any more, therefore there is no need for this compressor and we wish to take it off permit 201-89A.**

I also expressed to Mr. Robinson that our small fuel gas Amine unit has not run since 2017 either, since it became inoperable and we don't have a need for compressor fuel. We are better off to use propane which we have on site. **He took a picture of the building caved in on the rusty Amine plant** where I said, "this is not even worth salvaging to go somewhere else as

parts have been robbed and it's rusting away". **Mr. Robinson states that this is still onsite and fully functional in his 9 page inspection report which is not accurate.** I included the picture that he would have taken from the outside and one inside to show unit is far from functional. Upon further inspection the inlet and discharge have already been disconnected **along with the fuel line.** Let this letter be official that Omimex Energy wishes this Amine plant to be removed from the permit that we applied for in 2007, even though considers it exempt, as I verbalized this to Mr. Robinson that day.

**My question to Mr. Robinson on 4-2-2021 was that if we get rid of our compressor that had a PTE over 100 tons and the Amine Plant that Air Quality has it as exempt, would we even need an air quality permit here since everything else is exempt per all the air quality correspondence over the years? I guess his answer to me was issuing us a violation for not getting a permit to install and operate the Amine unit and flare that were always considered exempt by Air Quality as Omimex certainly did put them in their 2007 Permit to install.**

Since I did not have an opportunity to review Mr. Robinson's 9 page detailed inspection letter dated March 29, 2021 from his Feb 2<sup>nd</sup>, 2021 inspection that explains how he came to the conclusion that Omimex should be issued 2 violations, I took the liberty to write down 14 items that I feel were incorrect observations and statements that could have been cleared up ahead of time as an attachment. **(Separate attachment).**

Since Mr. Robinson insists on going back to before the Omimex 2007 Permit that 201-89A where it states clearly that the 1989 permit 201-89 that was issued to Conoco was voided, I have attached a write-up entitled "Chronological History of Claybanks CPF with Equipment Installation" that clearly shows that Omimex was forthright in providing Air Quality over the years information about the flare that was installed by Conoco in 1989 and the Amine plant that was installed in 2002.

All this equipment was discussed thoroughly in 2007 with Air Quality for Claybanks, Victory and White River which are all similar operations, as to what pieces of equipment are exempt or not by Air Quality and what permit conditions should apply for all equipment.

**In conclusion, Omimex does not agree with Mr. Robinson's change in opinion in 2021 in issuing us two violations for not having a permit to install for construction and/or operation of process equipment for the Amine unit for fuel gas and flare as we did have these in our 2007 Permit to Install (PTI). There were many Air Quality Personnel that were either permit writers, office staff or inspectors over the years at both Claybanks and Victory since 2007, that according to Mr. Robinson now in 2021 did not correctly categorized the Amine unit and flare as being exempt. These Air Quality employees are Larry Schultz, Lori Myott, Jennifer Dixon, Heidi Hollenback, Chris Robinson in 2017, at Claybanks and Jim Donaldson, Janice Denman, Kurt Childs and Caryn Owens at Victory.**

Looking at all of the correspondence between all of these Air Quality employees with multiple years of experience, the exemptions that Air Quality stated in discussion on our 2007 Permit's to Install, where Omimex did include the Amine Units and flares in the equipment descriptions are the following. These may not be all of them.

**Emergency Flare-** exempt under rule R336.1288(2)(c) as it is a sweet gas flare that burns a sweet gas propane pilot where it is needed under the Hydrogen Sulfide Management rules R324.1123 that requires it designed to prevent the release of unburned gas to the atmosphere. As stated earlier, condition 3.2 under the 2007 current permit states "Except for flaring off sour gas resulting from emergencies or from controlled blow-down of sour gas from vessels, piping or equipment, the permittee shall not burn any sour natural gas" This rule recognizes that the flare was indeed in the 2007 PTI application to be used for emergencies and controlled blowdown of equipment where Mr. Robinson is implying we did not put it in our PTI. Air Quality was the one who considered this emergency flare to be exempt at Claybanks and Victory ever since 2007.

**Emergency Flare-** also exempt from Air Quality under rule R336.1282(2)(g) which states sour gas burning equipment is exempt, if the actual emission of sulfur dioxide does not exceed 1 pound per hour which is equivalent to 24 lbs per day. Since Claybanks pilot gas has always run off of propane as there was a 500 gallon tank at the flare for use when the Amine unit was there. It is now capable of also running off our larger propane tank as we plumbed it in after we took the Amine unit out of service.

**Amine Unit-** has been disconnected since 2017 and is not capable of operation. Despite this, there are 3 Air Quality exemptions that have been discussed over the years that in 2021 Mr. Robinson now has an issue with.

**Amine Unit Reboiler-** which is 250,000 BTU/hr is exempt under R336.1282(2)(b) as with all the other heaters on the site in that it is fuel burning equipment burning natural gas with less than 50,000,000 BTU/hr rated equipment.

**Amine Unit-** Rule 119(b)(cc) defines what a sweetening facility is to be permitted. It states that a "Sweetening Facility does not include a facility or process that operates in an enclosed system and does not emit Hydrogen Sulfide to the outer air". Therefore, Claybanks should qualify for that exemption.

**Amine Unit-** also under CFR 40 subpart LLL under 60.640(e) it states "The provisions of this subpart do not apply to sweetening facilities producing acid gas that is completely being re-injected into oil-or-gas bearing geological strata or that is otherwise not released to the atmosphere." Omimex has an EPA permit for the Farris Hopper on site that allows us to put the

acid gas back into the Niagaran formation because the acid gas is in an enclosed system when we had the Amine unit running and the acid gas does not get released to the atmosphere.

A separate list of Air Quality Exemption Rules is attached to this letter that can be used for reference for each piece of equipment as they apply to both Claybanks and White River. I have demonstrated that once the Compressor Engine is taken off at Claybanks there is no need for an Opt Out permit and the rest of the equipment qualifies for exemption status as noted over the years by the various Air Quality employees.

**We do not wish to keep the compressor and Amine unit any longer, that was in our 2007 Permit to Install. I do not wish to submit a new Permit to Install (PTI) for the remaining equipment that may or may not be exempt as Mr. Robinson has suggested.**

Sincerely,



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