

**DEPARTMENT OF ENVIRONMENTAL QUALITY  
AIR QUALITY DIVISION  
ACTIVITY REPORT: Scheduled Inspection**

N676143520

FACILITY: M-R Ventures, LLC		SRN / ID: N6761
LOCATION: 610 N Court, AU GRES		DISTRICT: Saginaw Bay
CITY: AU GRES		COUNTY: ARENAC
CONTACT: Rusty Hennagir, Pumper		ACTIVITY DATE: 03/01/2018
STAFF: Meg Sheehan	COMPLIANCE STATUS: Compliance	SOURCE CLASS: MINOR
SUBJECT: Inspection of exempt sweet oil production equipment		
RESOLVED COMPLAINTS:		

**At 1 p.m. Thursday, March 1, 2018, Meg Sheehan, and Amy Rivest and Andrew Kent with OGMD conducted a scheduled site inspection at M-R Ventures LLC, located in Au Gres. Mr. Rusty Hennagir, M-R Ventures pumper, provided a tour and overview of the site.**

**COMPLIANCE HISTORY**

The site was previously designed and permitted to process sour gas under PTI nos. 587-95 and 454-99, which were voided in 2013. Two nearby wells were pumping sour oil, and one onsite well pumped sweet oil. In the inspection report from September 27, 2012, it is stated that the lines from the two sour wells have been plugged. According to OGMD's files, this is not the case. The sour wells have been shut-in, meaning the well is capable of producing but is not currently producing. Additionally, in an email from November 1, 2012, the company confirmed that the lines are physically disconnected in two places from the wells that produce from the H<sub>2</sub>S heavy zone. The onsite sweet well is still producing from the Prairie du Chien, which is a common sweet oil producing formation. Mr. Hennagir reported that no changes have been made to the site since the last AQD inspection in 2012. No violation notices or complaints are associated with the site.

**COMPLIANCE EVALUATION**

Some of the equipment previously used for processing sour gas remains onsite (a membrane system with an incinerator to remove CO<sub>2</sub>, a hydrogen sulfide scavenging system, and NGL tanks) but is disconnected and no longer in use. The NGL tanks have been emptied and depressurized. The compressors have since been removed from the site.

The onsite oil well is pumped to a separator to remove brine water and gas. The sweet crude oil is sent to two storage tanks, the waste brine water is sent to one, and the gas is sent to the flare. The flare was operating at the time of our visit. A line heater is also onsite and keeps the piping from freezing during cold winter months with antifreeze. Mr. Hennagir reported that it has not been used in a couple of years.

**COMPLIANCE DETERMINATION**

Based on the information collected during the March 1, 2018 site visit, it appears that all equipment currently in use onsite is exempt from permitting (see table below). M-R Ventures LLC is in compliance with all applicable state and federal Air Pollution Control Rules.

Equipment	Exemption
Flare (sweet natural gas)	288(c)
Separator	288(d)
Two sweet crude tanks (less than 40,000 gallons)	284(e)
Line heater (sweet natural gas, 750,000 Btu)	282(b)(i)

NAME Meg Sheehan

DATE 3/6/18

SUPERVISOR C. Rivest