



GRETCHEN WHITMER
GOVERNOR

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



LIESL EICHLER CLARK
DIRECTOR

May 17, 2022

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

SRN: P0142, Tuscola County

Dear Jeff Adler:

VIOLATION NOTICE

On April 21, 2022, the Department of Environment, Great Lakes, and Energy (EGLE), Air Quality Division (AQD), conducted an inspection of Tuscola Energy, Inc., Leon & Aerial Cosens 4-26 located in Wisner Township, Michigan. The purpose of this inspection was to determine Tuscola Energy'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) number 161-10.

During the inspection, staff observed the following:

Process Description	Rule/Permit Condition Violated	Comments
FGFACILITY	PTI No. 161-10, FGFACILITY, Special Condition (SC) IV.3	EUCHARLESTANK is not vented to the flare
FGFACILITY	PTI No. 161-10, FGFACILITY, SC VI.1b	Quarterly testing not completed
FGFACILITY	PTI No. 161-10, FGFACILITY, SC VI.2a	Inadequate gas to oil ratio records

The tank EUCHARLESTANK for the Charles Cosens 1-26 well was not vented to the flare. This is a violation of PTI No. 161-10, FGFACILITY, SC IV.3.

Testing of the gas to oil ratios has not been completed since May 2018 and this is a violation of PTI No. 161-10, FGFACILITY, SC VI.1b.

Tuscola Energy, Inc. is not keeping applicable records of the gas to oil ratios as required. This is a violation of PTI No. 161-10, FGFACILITY, SC VI.2a.

Please initiate actions necessary to correct the cited violations and submit a written response to this Violation Notice by June 7, 2022 (which coincides with 21 calendar

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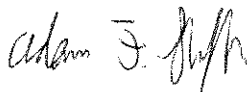
days from the date of this letter). The written response should include: the dates the violations occurred; an explanation of the causes and duration of the violations; whether the violations are ongoing; a summary of the actions that have been taken and are proposed to be taken to correct the violations 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 Street, Suite B, Bay City, Michigan 48708 and submit a copy to 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.

Thank you for your attention to resolving the violations cited above and for the cooperation that was extended to me during my inspection of Tuscola Energy, Inc. 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,



Adam Shaffer
Environmental Quality Analyst
Air Quality Division
989-225-4789

cc: Mary Ann Dolehanty, EGLE
Eduardo Olaguer, EGLE
Jenine Camilleri, EGLE
Christopher Ethridge, EGLE
Chris Hare, EGLE