To: Jackson, Ryan[jackson.ryan@epa.gov]
From: Zachary Simpson
Sent: Mon 9/11/2017 6:26:32 PM
Subject: Subpart OOOO Materials
2017-8-4 FOV Summary of Events.pdf
2017-1-4 Finding of Violation.pdf
2017-2-7 Gulfport EPA sign in sheet.pdf
2017-3-10 USEPA Response Final.pdf
2017-7-18 Gulfport Meeting on Settlement Proposal.pdf
2015-8-5 USEPA Questions and Concerns.pdf
2015-8-23 USEPA Information Request Letter.pdf

Ryan,

I have attached some background information per your request. I am happy to discuss further if you have questions.

Zachary Simpson

Corporate Counsel

(o) 405-252-4608

3001 Quail Springs Pkwy.

Oklahoma City, OK 73134

zsimpson@gulfportenergy.com

USEPA Questions/Concerns

8/5/2015

1. **What is the current oil/gas well production per pad?**
2. **Requesting the actual time of day that the tanks were gauged on Monday, 8/3/15**
3. **Stick flare vs. Combustor: separate functions - what operations serve which one?**
    a. Stick Flare – emergency flare when the VRU is not operating, the gas off the LP equipment will vent to the stick flare
    b. Combustor – gas from the tank battery
4. **Would like to see the flare/combustor manufacturer specs and operating recommendations: operating temperatures to operate at maximum % efficiency burn**
    a. **To achieve X efficiency, what temperature must be achieved/sustained?**
    b. **Same company/manufacturer?**
5. **Why doesn't the flare/combustor have an auto alert that sends notification communication when the pilot is out (operating status)?**
    a. **Concerned with delays/length of time that combustor is not operating**
        i. **Production pads have intermittent/discontinuous daily inspections & pumpers are not alerted to circumstances**
6. **Why do some pads have Gun Barrel Tanks "GB" and other do not?**
    a. Early design – a settling tank to separate the oil and water
    b. Used when atmospheric pressure, gravitational force, and retention time are sufficient for adequate separation of oils, water, and gas where no heat is required for separation
    c. Gravity feed allows water to enter oil tanks – Discontinued the installation on our pads
7. **Note: Interested in the fact that the dump valves and fuel gas supply valves release gas under normal operations**
8. **What notification is received that list which sites are "Quad 0"…40 cfr. 60 subpart 000? Group 1 or 2? Trying to get a sense if combustor needs to be in operation.**

Gulfport ENERGY

August 24, 2015

Natalie Topinka
US EPA Region 5
77 West Jackson Bvld.
Chicago, IL 60604

RE: Post Inspection Information Request
Gulfport Energy

Dear Ms. Topinka:

Gulfport Energy respectfully submits this letter per the information request following recent inspections at our facilities in Southeast Ohio on August 3 and 4, 2015. Below is a list of questions and answers per your request.

1. **What emissions do the "stick" flares control?**

   These flares are designed to capture emissions from the LP system in the event the LP compressor (VRU) goes down or is unable to handle the amount of flash being generated in LP separator, heater treater or vapor recovery tower (VRT).

2. **Provide downtime for any of the combustors at the sites visited from January 1, 2014 to August 4, 2015. How is it determined that the combustor is down?**

   Gulfport has been working on tying in the flares to our SCADA system which will send an alarm to the field and management when combustor pilot is not lit. This alarm works off a thermocouple which senses heat from the pilot gas flame. Since January of this year, we have pulling wire from our PLC to all the combustors in the field. As of August 10, 2015, we now receive email notification when a combustor is down. See *"Attachment 1-Combustor Downtime Alarms"* for copies of email notifications demonstrating combustor downtime alarms. We also receive a notification when the alarm is resolved.

   I have also attached a few records of invoices dating back to January of 2015 to illustrate are efforts in tying in the combustors to our SCADA system. See *"Attachment 2-Combustor Monitoring Invoices"*.

   In addition to the combustor alarm notifications, we now receive an hourly or monthly report by facility illustrating the flare downtime in hours through our field visor system.

3. **Manufacture specifications for the flares and combustors at each site visited.**

   See *"Attachment 3-Combustor and Flare Specs"*.

4. **The latest tank gauging activities prior to the visit on August 3 or 4, 2015.**

   See *"Attachment 4-Tank Gauging"*.

5. **Monthly production data to include condensate and produced water from January 1, 2014 through July 31, 2015.**

   See *"Attachment 5-Production Data"*.

6. **Provide any OOOO initial notification submitted to a regulatory agency.**

14313 North May Avenue, Suite 100 ~ Oklahoma City, Oklahoma 73134 ~ (405) 848-8807 ~ Fax (405) 848-85161

Gulfport

We have all GP 12.1 and 12.2 permits and have accepted a voluntary limit to restrict the potential VOC emissions from each storage vessel to less than 6 tons per year. All of our condensate sites have a closed vent system with VRU's capturing flash vapors that is routed to sales and a stick flare as a backup. We have installed combustors destructing tank emissions.

Additional Detail

In addition to the information request, Gulfport would like to address the issue with the leaking thief hatches on the tanks. We have been conducting our quarterly FLIR camera inspections per the GP 12 air permit and have recognized the issue with leaking hatches during those inspections. We have purchased and installed a new style hatch with a heavier spring which will mitigate the problem. Not all of the hatches have been installed at this time but we are working toward complete installation across the board. Another area of concern is the flame arresters at the combustor. We recently disconnected the piping to inspect the flame arrestors and found many were clogged. This caused back pressure to the tanks resulting in emissions releasing from the hatches. We have seen improvement after installing the new thief hatch and cleaning out the flame arrestors and have implemented a thief hatch and flame arrestor maintenance program.

Our last effort is investigating the facility design of our closed vent system with the assistance of an outside engineering firm. We have already started the process previous to the inspections by running a Hysis model to evaluate emissions to the stick flare and tanks. See *"Attachment 6-Hysis Model Stick Flare"* and *"Attachment 7-Hysis Model Condensate Tank"*.

Gulfport will continue to refine and improve our operations in order to fulfill our commitment to conduct business in a manner that protects human health and the environment while also respecting the social license provided to us by the public and the various governmental organizations that oversee our activities.

It goes without saying, if you have any questions or need additional information, do not hesitate to call me at 405-242-4965.

Respectfully,

Jeff Seal
Environmental Manager
Attachments

14313 North May Avenue, Suite 100 ~ Oklahoma City, Oklahoma 73134 ~ (405) 848-8807 ~ Fax (405) 848-88161

UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
REGION 5
77 WEST JACKSON BOULEVARD
CHICAGO, IL 60604-3590

DEC 22 2016

REPLY TO THE ATTENTION OF:

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Judson Shreves, Operations Manager
Gulfport Energy Corporation
14313 North May Avenue, Suite 100
Oklahoma City, Oklahoma 73134

Re: Finding of Violation
Gulfport Energy Corporation
Oklahoma City, Oklahoma

Dear Mr. Shreves:

The U.S. Environmental Protection Agency is issuing the enclosed Finding of Violation (FOV) to Gulfport Energy Corporation (you) under Section 113(a)(3) of the Clean Air Act, 42 U.S.C. § 7413(a)(3). We find that you are violating Section 111 of the Clean Air Act, and the Standards of Performance for Crude Oil and Natural Gas Production, Transmission, and Distribution found in 40 C.F.R. Part 60, Subpart OOOO, at a number of your oil and gas production facilities located in Ohio.

Section 113 of the Clean Air Act gives us several enforcement options. These options include issuing an administrative compliance order, issuing an administrative penalty order and bringing a judicial civil or criminal action.

We are offering you an opportunity to confer with us about the violations alleged in the FOV. The conference will give you an opportunity to present information on the specific findings of violation, any efforts you have taken to comply and the steps you will take to prevent future violations. In addition, in order to make the conference more productive, we encourage you to submit to us information responsive to the FOV prior to the conference date.

Please plan for your facility's technical and management personnel to attend the conference to discuss compliance measures and commitments. You may have an attorney represent you at this conference.

The EPA contacts in this matter are Natalie Topinka and Constantinos Loukeris. You may contact Ms. Topinka at (312) 886-3853 or topinka.natalie@epa.gov, or Mr. Loukeris at (312) 353-6198 or loukeris.constantinos@epa.gov, to request a conference. You should make the request within 10 calendar days following receipt of this letter. We should hold any conference within 30 calendar days following receipt of this letter.

Sincerely,

Sara Breneman

for Edward Nam
Director
Air and Radiation Division

Enclosure

cc: Bob Hodanbosi, OEPA
Melisa Witherspoon, OEPA

UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
REGION 5

IN THE MATTER OF:	)	
	)	
Gulfport Energy Corporation	)	**FINDING OF VIOLATION**
Oklahoma City, Oklahoma	)	
	)	**EPA-5-17-OH-08**
Proceedings Pursuant to	)	
the Clean Air Act,	)	
42 U.S.C. §§ 7401 et seq.	)	
	)	

FINDING OF VIOLATION

The U.S. Environmental Protection Agency (EPA) is issuing this Finding of Violation (FOV) under Section 113(a)(3) of the Clean Air Act (CAA), 42 U.S.C. § 7413(a)(3). Based on available information and as explained below, EPA finds that Gulfport Energy Corporation (Gulfport) is violating Section 111(e) of the Clean Air Act, 42 U.S.C. § 7411(e). Specifically, Gulfport is violating the Standards of Performance for Crude Oil and Natural Gas Production, Transmission, and Distribution found in 40 C.F.R. Part 60, Subpart OOOO as follows:

Statutory and Regulatory Authority

1. The CAA is designed to, among other things, protect and enhance the quality of the nation's air so as to promote the public health and welfare and the productive capacity of its population. *See* Section 101(b)(1) of the CAA, 40 U.S.C. § 7401(b)(1).

2. Section 111(b) of the CAA, 42 U.S.C. § 7411(b), requires EPA to publish a list of categories of stationary sources of air pollution if those sources cause or contribute significantly to air pollution that may reasonably be anticipated to endanger public health or welfare, and to promulgate regulations establishing federal standards of performance for new sources within the source category. These emission standards are known as New Source Performance Standards (NSPS), and are codified at 40 C.F.R. Part 60.

3. The NSPS includes Standards of Performance for New Stationary Sources for Crude Oil and Natural Gas Production, Transmission and Distribution, found in 40 C.F.R. Part 60, Subpart OOOO ("Subpart OOOO").

4. Subpart OOOO, at 40 C.F.R. § 60.5430, among other things defines "storage vessel" as a tank or other vessel that contains an accumulation of crude oil, condensate, intermediate hydrocarbon liquids, or produced water, and that is constructed primarily of non-earthen materials (such as wood, concrete, steel, fiberglass, or plastic) which provide structural support.

5. Subpart OOOO, at 40 C.F.R. § 60.5365, provides, among other things, that owners and operators of one or more storage vessel affected facilities constructed, modified or

reconstructed after August 23, 2011, and on or before September 18, 2015, are subject to the applicable provisions of Subpart OOOO.

6. Subpart OOOO, at 40 C.F.R. § 60.5365(e), provides that a storage vessel affected facility is a single storage vessel located in the oil and natural gas production segment, natural gas processing segment or natural gas transmission and storage segment, and has the potential for volatile organic compound (VOC) emissions equal to or greater than six tons per year as determined according to 40 C.F.R. § 60.5365. The potential for VOC emissions must be calculated using a generally accepted model or calculation methodology, based on the maximum average daily throughput determined for a 30-day period of production prior to the applicable emission determination deadline specified in 40 C.F.R. § 60.5365. The determination may take into account requirements under a legally and practically enforceable limit in an operating permit or other requirement established under a Federal, State, local or tribal authority.

7. Subpart OOOO, at 40 C.F.R. § 60.5411(b), requires owners and operators of storage vessel affected facilities to ensure that covers on storage vessels meet certain requirements, including that the cover and all openings on the cover shall form a continuous impermeable barrier over the entire surface area of the liquid in the vessel; each cover opening shall be secured in a closed sealed position except when certain activities are ongoing; and that each storage vessel thief hatch shall be equipped, maintained, and operated with a weighted mechanism or equivalent, to ensure the lid remains properly seated.

8. Subpart OOOO, at 40 C.F.R. § 60.5411(c), requires owners and operators of storage vessels using a control device to control emissions to design its closed vent system to route all gases, vapors, and fumes emitted from the material in the storage vessel to a control device that meets the requirements of 40 C.F.R. § 60.5412(c) and (d); and to design and operate a closed vent system with no detectable emissions, as determined using olfactory, visual, and auditory inspections.

9. Subpart OOOO, at 40 C.F.R. § 60.5412(d), requires that each control device used to meet the emission reduction standard in 40 C.F.R. § 60.5395(d) for storage vessel affected facilities must be installed according to 40 C.F.R. § 60.5395(d)(1) through (3), as applicable. As an alternative to 40 C.F.R. § 60.5395(d)(1), owners and operators of storage vessel affected facilities may install a control device model tested under 40 C.F.R. § 60.5413(d), which meets the criteria in 40 C.F.R. § 60.5413(d)(11) and § 60.5413(e).

10. Subpart OOOO, at 40 C.F.R. § 60.5412(d)(1)(ii), requires that each enclosed combustion device must have installed and operate a continuous burning pilot flame.

11. Subpart OOOO, at 40 C.F.R. § 60.5413(e), requires owners or operators of combustion control devices tested by the manufacturer to demonstrate that the control device achieves the performance requirements in (d)(11) of this section by installing a device tested under paragraph (d) of this section and complying with the criteria specified in paragraphs (e)(1) through (7) of this section.

12. Subpart OOOO, at 40 C.F.R. § 60.5413(e)(2), requires that a pilot flame on the combustion control device must be present at all times of operation.

13. Subpart OOOO, at 40 C.F.R. § 60.5410(h), requires owners and operators of storage vessel affected facilities to demonstrate initial compliance with Subpart OOOO for each storage vessel. In order to demonstrate initial compliance with Subpart OOOO, owners and operators must have completed five compliance requirements found elsewhere in Subpart OOOO: determining the potential VOC emission rate (40 C.F.R. § 60.5365(e)); reducing VOC emissions (40 C.F.R. § 60.5395(d)); meeting certain cover, closed vent and control device requirements, as applicable (40 C.F.R. § 60.5395(e), referencing, among other things, 40 C.F.R. § 60.5411(b) and (c)); meeting reporting requirements, including an initial annual report due no later than 90 days after the initial compliance period (40 C.F.R. § 60.5420(b)); and maintaining appropriate records (40 C.F.R. § 60.5420(c)).

14. Subpart OOOO, at 40 C.F.R. § 60.5370(b), requires that at all times, including periods of startup, shutdown, and malfunction, owners and operators shall maintain and operate any affected facility including associated air pollution control equipment in a manner consistent with good air pollution control practice for minimizing emissions. Determination of whether acceptable operating and maintenance procedures are being used will be based on information available to the Administrator which may include but is not limited to, monitoring results, opacity observations, review of operating and maintenance procedures, and inspection of the source.

Relevant Factual Background

15. In August 2015, EPA staff inspected and observed several oil and natural gas production well pads owned and operated by Gulfport in Belmont, Harrison, and Guernsey counties in eastern Ohio. These well pads include but are not limited to those identified in Attachments A and B to this Finding of Violation (FOV).

16. In July of 2016, EPA issued to Gulfport an information request under Section 114 of the CAA.

17. On October 14, 2016, Gulfport responded to the information request. Gulfport's responses to the information request included, among other things, emissions evaluations of the storage vessels at all the well pads listed in Attachments A and B.

18. Each of Gulfport's well pads listed in Attachments A and B includes storage vessels that contain an accumulation of condensate or produced water, and that are constructed primarily of non-earthen materials.

19. Gulfport's storage vessels at well pads listed in Attachments A and B were all constructed after August 23, 2011 but before September 18, 2015.

20. Gulfport's storage vessels at well pads listed in Attachments A and B all had the potential for VOC emissions equal to or greater than six tons per year in their first 30 days of production.

21. During the August 2015 inspections, EPA staff detected emissions from thief hatches or pressure relief devices on storage vessels at all the well pads listed in Attachment A.

22. During the August 2015 inspections, EPA observed that the combustion control devices at the well pads listed in Attachment B were not operating with a continuous pilot flame while vapors were being directed to them.

Violations

23. Gulfport's storage vessels at well pads listed in Attachment A are subject to Subpart OOOO, and based on the above described detectable emissions from storage vessels observed by EPA staff, Gulfport has failed to ensure that the covers on its storage vessels meet certain requirements, including that the covers and all openings shall form a continuous impermeable barrier over the entire surface area of the liquid in the vessel, and that each cover opening shall be secured in a closed, sealed position except when certain activities are ongoing, violating 40 C.F.R. § 60.5411(b).

24. Based on the above described detectable emissions from storage vessels observed by EPA staff, Gulfport has failed to design its closed vent systems to route all gases, vapors and fumes emitted from the material in the storage vessels to a control device, and to design and operate closed vent systems with no detectable emissions, as determined using olfactory, visual, and auditory inspections, violating 40 C.F.R. § 60.5411(c).

25. Based on, among other things, Gulfport's failure to meet certain cover, closed vent and control device requirements, demonstrated by the above described detectable emissions from storage vessels observed by EPA staff, Gulfport has failed to demonstrate initial compliance at its storage vessel affected facilities listed in Attachment A, violating 40 C.F.R. § 60.5410(h).

26. Gulfport's storage vessels at well pads listed in Attachment B are subject to Subpart OOOO, and based on Gulfport's failure to operate its combustion control devices with a present and continuously burning pilot flame at its storage vessel affected facilities listed in Attachment B, Gulfport has violated 40 C.F.R. § 60.5412(d).

27. Based on the above described detectable emissions from storage vessels, and absence of a present and continuously burning pilot flame on its combustion control devices observed by EPA staff during the August 2015 inspections, Gulfport failed to operate its storage vessel affected facilities in a manner consistent with good air pollution control practice for minimizing emissions, violating 40 C.F.R. § 60.5370(b).

Environmental Impact of Violations

28. These violations have caused or can cause excess emissions of VOC.

29. Excess VOC emissions can cause eye, nose, and throat irritation, headaches, loss of coordination, nausea and damage to liver, kidney and the central nervous system.

30. VOC emissions are a precursor to ground-level ozone. Breathing ozone contributes to a variety of health problems including chest pain, coughing, throat irritation and congestion. It can worsen bronchitis, emphysema, and asthma. Ground-level ozone also can reduce lung function and inflame lung tissue.

12/23/16
Date

Sara Breneman
for Edward Nam
Director
Air and Radiation Division

ATTACHMENT A

Facility Air Permit ID	Facility Name	Wells Supplying the Facility	Facility GPS Latitude	Facility GPS Longitude	County
06-07-01-5013	Amanda	AMANDA 1-14H	39.88943	-81.17016	Belmont
		AMANDA 4-14H			
06-34-00-5043	BK Stephens	BK STEPHENS 1-16H	40.18536	-81.16774	Harrison
		BK STEPHENS 2-16H			
		BK STEPHENS 3-16H			
06-34-00-5048	Boy Scout	BOY SCOUT 1-33H	40.25840	-81.21459	Harrison
		BOY SCOUT 2-33H			
		BOY SCOUT 4-33H			
		BOY SCOUT 5-33H			
06-34-00-5045	Clay	CLAY 1-4H	40.17340	-81.22704	Harrison
		CLAY 2-4H			
		CLAY 3-4H			
		CLAY 4-4H			
06-07-01-5005	Family	FAMILY 1-32H	40.05669	-81.10384	Belmont
		FAMILY 2-32H			
		FAMILY 3-32H			
06-34-00-5070	Gustina-Bear	GUSTINA-BEAR 1-23H	40.19058	-81.18653	Harrison
		GUSTINA-BEAR 2-23H			
		GUSTINA-BEAR 3-23H			
06-07-01-5009	Hayes	HAYES 1-1H	40.04481	-81.12047	Belmont
		HAYES 2-1H			
		HAYES 3-1H			
		HAYES 4-1H			
06-07-00-5010	Inherst	INHERST 1-14H	39.88939	-81.17680	Belmont
		INHERST 2-14H			
		INHERST 3-14H			
06-07-01-5004	McCort	MCCORT 1-28H	39.91963	-81.21521	Belmont
		MCCORT 2-28H			
		MCCORT 3-28H			
		MCCORT 4-28H			
06-34-00-5072	Milliken	MILLIKEN 1-4H	40.17478	-81.23982	Harrison
		MILLIKEN 2-4H			
		MILLIKEN 3-4H			
06-34-00-5049	Ryser	RYSER 1-25H	40.21567	-81.20079	Harrison
		RYSER 2-25H			
		RYSER 3-25H			
		RYSER 4-25H			
06-07-04-5002	Sandra	SANDRA 1-31H	40.04085	-81.10851	Belmont
		SANDRA 2-31H			

Facility Air Permit ID	Facility Name	Wells Supplying the Facility	Facility GPS Latitude	Facility GPS Longitude	County
06-07-01-5003	Shugert 12	SHUGERT 1-12H	40.03269	-81.14577	Belmont
		SHUGERT 1-1H			
		SHUGERT 2-12H			
		SHUGERT 2-1H			
		SHUGERT 3-12H			
		SHUGERT 3-1H			
		SHUGERT 4-12H			
		SHUGERT 4-1H			
06-56-05-5001	Stutzman	STUTZMAN 1-14H	39.89056	-81.17089	Belmont
		STUTZMAN 3-14H			
06-07-01-5008	Wesley	WESLEY 1-8H	39.89255	-81.15874	Belmont
		WESLEY 2-8H			

ATTACHMENT B

Facility Air Permit ID	Facility Name	Wells Supplying the Facility	Facility GPS Latitude	Facility GPS Longitude	County
06-34-00-5070	Gustina-Bear	GUSTINA-BEAR 1-23H	40.19058	-81.18653	Harrison
		GUSTINA-BEAR 2-23H			
		GUSTINA-BEAR 3-23H			
06-07-01-5009	Hayes	HAYES 1-1H	40.04481	-81.12047	Belmont
		HAYES 2-1H			
		HAYES 3-1H			
		HAYES 4-1H			
06-07-01-5012	Swallie	SWALLIE 210041 1C	40.03896	-81.13895	Belmont
		SWALLIE 210041 2B			

CERTIFICATE OF MAILING

I, Kathy Jones, certify that I sent a Finding of Violation, No. EPA-5-17-OH-08, by Certified Mail, Return Receipt Requested, to:

Judson Shreves, Operations Manager
Gulfport Energy Corporation
14313 N. May Ave. Suite 100
Oklahoma City, OK 73134

I also certify that I sent copies of the Finding of Violation by first-class mail to:

Bob Hodanbosi
Chief, Division of Air Pollution Control
Ohio Environmental Protection Agency
bob.hodanbosi@epa.ohio.gov

and

Melisa Witherspoon
Assistant Chief, Southeast District Office
Ohio Environmental Protection Agency
melisa.witherspoon@epa.ohio.gov

On the 29 day of December 2016

for

Kathy Jones
Program Technician
AECAB, PAS

CERTIFIED MAIL RECEIPT NUMBER: 7009 1680 0000 7646 9869

Gulfport Energy Corporation
Oklahoma City, Oklahoma

Meeting at U.S. EPA, Region 5
February 7, 2017
Sign-In Sheet

Name	Affiliation	Telephone and E-mail
Robert Peachey	U.S. EPA	(312) 353.4510 / peachey.robert@epa.gov
Muhammed Shuaibi	U.S. EPA	(312) 353-2075/shuaibi.muhammed@epa.gov
Natalie Topinka	U.S. EPA	312-886-3853/topinka.natalie@epa.gov
Nathan Frank	EPA	312-886-3850 frank.nathan@epa.gov
Judson Shreves	Gulfport Energy	740-238-9551 jshreves@gulfportenergy.com
Jeff Seal	Gulfport Energy	405.420.9871 jseal@gulfportenergy.com
Jace Marshall	Gulfport Energy	(405.317.9164 jmarshall@gulfportenergy.com
Zac Simpson	Gulfport Energy	405.880.7176 zsimpson@gulfportenergy.com
Constantinos Loukeris	U.S. EPA	312-353-6198 Loukeris.Constantinos@epa.gov

Gulfport ENERGY

March 10, 2017 **VIA E-Mail & Certified Mail**

Ms. Natalie M. Topinka – Environmental Scientist
United States Environmental Protection Agency – Region 5 ("US EPA")
77 West Jackson Boulevard
Chicago, Illinois 60604
President and CEO, Rhino Exploration, LLC

Re: Finding of Violation EPA-5-17-OH-08

Dear Ms. Topinka:

On December 22, 2016 the US EPA issued Findings of Violation EPA-5-17-OH-08 ("FOV") to Gulfport Energy Corporation ("Gulfport") under Section 113(a)(3) of the Clean Air Act, 42 U.S.C. §7413(a)(3). The alleged violations were cited under Section 111 of the Clean Air Act, and the Standards of Performance for Crude Oil and Natural Gas Production, Transmission, and Distribution found in 40 C.F.R Part 60, Subpart OOOO. These alleged violations were more fully described in Paragraphs 23-27 of the FOV and related to a number of Gulfport's facilities, which were listed in Attachments A and B to the FOV ("Gulfport Facilities"). On February 7, 2017, Gulfport met with the US EPA to review and discuss the FOV. Please accept this letter as our written response to the FOV.

General Objections

As a preliminary matter, Gulfport disputes the alleged violations based on US EPA's technical methodology employed to conduct emissions evaluations at Gulfport Facilities. In order to issue the FOV, US EPA utilized an optical gas-imaging ("OGI") infra-red camera, which observed vapors emitting to the atmosphere from the thief hatches or pressure relief devices on certain production tanks. Gulfport notes two problems with this technique:

1. First, the OGI camera is an observation tool and lacks the ability to determine flow rate or concentration of vapors being emitted. As such, the OGI camera is incapable of determining the volume of emissions. It is untenable to conclude that a device which lacks the capability to conclusively evaluate emissions volumes should be employed to determine whether a particular tank meets the volumetric yearly emissions necessary to trigger Subpart OOOO jurisdiction. For example, consider the US EPA Video, see Attachment "B" (MOV_1326), which was filmed during an August 2015 inspection of Gulfport's Hayes location. The Hayes wells made 2.88 bbls of condensate and 3,184 bbls of water for the month of August 2015. Utilizing standard gravity back calculations, it is easily ascertained that the bbls/ per day extrapolated out for one year is a total of .02 tpy volatile organic compounds ("VOCs") per tank of condensate and .08 tpy VOCs of produced water. In short, the Hayes location video is depicting very small emissions volumes, and, when viewing the video relative to videos taken at other Gulfport Facilities, the emissions appear to be indistinguishable.
2. Secondly, the OGI camera is incapable of distinguishing between VOCs and non-regulated greenhouse gas ("GHG") emissions. Meaning, US EPA's emissions evaluation utilized to issue the FOV lacked the ability to proportionately determine the composition of emissions that were observed in the OGI camera footage. It is undisputed that a portion

of the observed emissions are non-regulated GHG emissions, and if US EPA's observation technique cannot determine composition, the observed emissions are misrepresentative of VOC emissions and should not be utilized to determine whether the Gulfport Facilities are subject to Subpart OOOO jurisdiction.

In summation, US EPA's emissions evaluation technique is insufficient and incapable of reasonably determining that the Gulfport Facilities meet the requisite volumetric requirements to be subject to Subpart OOOO jurisdiction.

As a second preliminary matter, Gulfport fundamentally disputes US EPA's interpretation and use of "potential to emit 6 tons per year ("tpy")" as a basis for determining Subpart OOOO jurisdiction for the Gulfport Facilities. Despite the disagreement in interpretation, US EPA's emissions evaluation technique lacks the necessary components to determine volume and composition of emissions – thus, US EPA is unable to adequately determine "potential." When evaluating the US EPA's findings in the FOV, fundamental flaws are quite apparent. For example, consider the sixteen Gulfport Facilities related to the FOV. Based on hydrocarbon production rates in 2016, ten of these facilities are mathematically incapable of emitting the necessary 6 tpy VOC – even assuming Gulfport had no emissions controls devices in place. As evidence, I would direct you to Attachment "A" for 2016 production rates and PTE calculations. Calculations were based on commonly used E&P tanks v2.0 and the highest lb/bbl rating from previous pressurized sampling was used. Clearly, these Gulfport Facilities are not only incapable of emitting 6 tpy of VOCs but come nowhere close to the required threshold. Yet, US EPA determined in the FOV that each of these locations was subject to Subpart OOOO jurisdiction, based on OGI videos and a loose interpretation of "potential to emit".

Specific Responses

Gulfport makes the following specific comments to Paragraphs 23-27 of the FOV.

23. Gulfport's storage vessels at well pads listed in Attachment A are subject to Subpart 0000, and based on the above described detectable emissions from storage vessels observed by EPA staff, Gulfport has failed to ensure that the covers on its storage vessels meet certain requirements, including that the covers and all openings shall form a continuous impermeable barrier over the entire surface area of the liquid in the vessel, and that each cover opening shall be secured in a closed, sealed position except when certain activities are ongoing, violating 40 C.F.R. § 60.541 l (b).

Gulfport Response:
Gulfport elected to opt out of Subpart OOOO through the Ohio GP 12.1/12.2 permits by accepting to voluntarily limit and restrict the potential VOC emissions from each storage vessel to less than 6 tons per year per 40 CFR 60.5365(e).

24. Based on the above described detectable emissions from storage vessels observed by EPA staff, Gulfport has failed to design its closed vent systems to route all gases, vapors and fumes emitted from the material in the storage vessels to a control device, and to design and operate closed vent systems with no detectable emissions, as determined using olfactory, visual, and auditory inspections, violating 40 C.F.R. § 60.5411 (c).

Gulfport Response:

Gulfport elected to opt out of Subpart OOOO through the Ohio GP 12.1/12.2 permits by accepting to voluntarily limit and restrict the potential VOC emissions from each storage vessel to less than 6 tons per year per 40 CFR 60.5365(e).

25. Based on, among other things, Gulfport's failure to meet certain cover, closed vent and control device requirements, demonstrated by the above described detectable emissions from storage vessel observed by EPA staff, Gulfport has failed to demonstrate initial compliance at its storage vessel affected facilities listed in Attachment A, violating 40 C.F.R. § 60.54 10(h).

Gulfport Response:
Gulfport elected to opt out of Subpart OOOO through the Ohio GP 12.1/12.2 permits by accepting to voluntarily limit and restrict the potential VOC emissions from each storage vessel to less than 6 tons per year per 40 CFR 60.5365(e).

26. Gulfport's storage vessels at well pads listed in Attachment B are subject to Subpart 0000, and based on Gulfport's failure to operate its combustion control devices with a present and continuously burning pilot flame at its storage vessel affected facilities listed in Attachment B, Gulfport has violated 40 C.F.R. § 60.5412(d).

Gulfport Response:
Gulfport elected to opt out of Subpart OOOO through the Ohio GP 12.1/12.2 permits by accepting to voluntarily limit and restrict the potential VOC emissions from each storage vessel to less than 6 tons per year per 40 CFR 60.5365(e).

27. Based on the above described detectable emissions from storage vessels, and absence of a present and continuously burning pilot flame on its combustion control devices observed by EPA staff during the August 2015 inspections, Gulfport failed to operate its storage vessel affected facilities in a manner consistent with good air pollution control practice for minimizing emissions, violating 40 C.F.R. § 60.5370(b).

Gulfport Response:
Gulfport's combustors and flares did utilize a continuously burning pilot at the time of the inspection, however the pilot was out. Gulfport was in the process of installing flame rod sensors to detect the presence of a flame for all combustors prior to the inspection. The sensor installation was completed by the end of August 2015. In the event the pilot goes out, an alarm is sent to the pumpers through our SCADA system.

Conclusion

For the foregoing reasons, Gulfport objects to the FOV. Regardless of Subpart OOOO jurisdiction, Gulfport continues to work to develop new techniques that would limit emissions from thief hatches and welcomes the opportunity to work with US EPA to resolve this matter.

Sincerely,

GULFPORT ENERGY CORPORATION

Jeff Seal – Environmental Manager

Attachment "A"

Facility	Emissions Rate (lb/bbl)	2016 Condensate Production (bbls)	2016 PTE VOC W/O Controls (tpy/tank)
Amanda	4.58	0	0.0
Family	4.58	0	0.0
Hayes	4.58	28	0.01
Inherst	4.58	0	0.0
McCort	4.58	150	0.06
Sandra	4.58	0	0.0
Shugert 12	4.58	2427	1.84
Stutzman	4.58	0	0.0
Swallie	4.58	395	0.3
Wesley	4.58	0	0.0

Attachment "B"

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