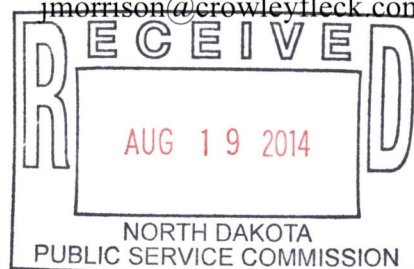


John W. Morrison  
100 West Broadway, Suite 250  
P.O. Box 2798  
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701.223.6585  
jmorrison@crowleyfleck.com

August 19, 2014

*Via Hand Delivery*

Mr. Darrell Nitschke  
Executive Secretary  
North Dakota Public Service Commission  
600 East Boulevard Avenue, Dept. 408  
Bismarck, ND 58505-0480



In re: ONEOK Rockies Midstream, L.L.C.  
Lonesome Creek Gas Plant  
Case No. PU-14-218  
Our File No. 72-530-006

Dear Mr. Nitschke:

Please find enclosed the original and ten copies of the Air Pollution Control Permit to Construct in the captioned case.

If you have any questions, please feel free to contact me. Thank you.

Sincerely,



John W. Morrison

lh  
enc.

cc: Michael J. Dailey (via email)



**NORTH DAKOTA**  
DEPARTMENT of HEALTH

ENVIRONMENTAL HEALTH SECTION  
Gold Seal Center, 918 E. Divide Ave.  
Bismarck, ND 58501-1947  
701.328.5200 (fax)  
www.ndhealth.gov



August 13, 2014

**FILE**

Ms. Deborah Perry-Chambers  
ONEOK Rockies Midstream  
P.O. Box 871  
Tulsa, OK 74102-0871

Re: Air Pollution Control  
Permit to Construct

Dear Ms. Perry-Chambers:

Pursuant to the Air Pollution Control Rules of the State of North Dakota, the Department of Health has completed final review of your application to obtain a Permit to Construct for the Lonesome Creek Gas Plant to be located in McKenzie County, North Dakota.

Based on the results of the documents reviewed, this Department hereby issues the enclosed North Dakota Air Pollution Control Permit to Construct No. PTC14045.

Please advise the Department within 15 days after completing the project to allow for an inspection by the Department.

Note that the above-referenced permit addresses only air quality requirements applicable to your facility. Other divisions (Water Quality, Waste Management and Municipal Facilities) within the Environmental Health Section may have additional requirements. Contact information for the various divisions is listed at the bottom of this letter.

If you have any questions regarding air quality, please contact me at (701)328-5188.

Sincerely,

Craig D. Thorstenson  
Environmental Engineer  
Division of Air Quality

CDT:saj  
Enc:



**AIR POLLUTION CONTROL  
PERMIT TO CONSTRUCT**

Pursuant to Chapter 23-25 of the North Dakota Century Code, and the Air Pollution Control Rules of the State of North Dakota (Article 33-15 of the North Dakota Administrative Code), and in reliance on statements and representations heretofore made by the owner designated below, a Permit to Construct is hereby issued authorizing such owner to construct and initially operate the source unit(s) at the location designated below. This Permit to Construct is subject to all applicable rules and orders now or hereafter in effect of the North Dakota Department of Health and to any conditions specified below:

**I. General Information:**

A. **Permit to Construct Number:** PTC14045

B. **Source:**

1. Name: Lonesome Creek Gas Plant
2. Location: SE ¼, NE ¼, Sec. 36, T150N, R101W  
Near Arnegard, McKenzie County, North Dakota
3. Source Type: Natural Gas Processing Plant
4. Equipment at the Facility: The facility is a new natural gas processing plant with a capacity to process 200 million standard cubic feet of natural gas daily. Equipment will consist of the following:

<b>Emission Unit Description</b>	<b>Emission Unit (EU)</b>	<b>Emission Point (EP)</b>	<b>Air Pollution Control Equipment</b>
Hot oil heater rated at approximately 66.8 million Btu/hr and fired on natural gas	H-1	H-1	Low NOx Burners
Hot oil heater rated at approximately 66.8 million Btu/hr and fired on natural gas	H-2	H-2	Low NOx Burners
Regeneration gas heater rated at approximately 31.24 million Btu/hr and fired on natural gas	H-3	H-3	Low NOx Burners
500 barrel methanol storage tank	TK-1	TK-1	None
Caterpillar Model G3516B LE engine-driven generator with a maximum rating of 1,380 bhp and fired on natural gas	EGEN1	EGEN1	None
Caterpillar Model CG137-12 engine-driven	EGEN2	EGEN2	None

<b>Emission Unit Description</b>	<b>Emission Unit (EU)</b>	<b>Emission Point (EP)</b>	<b>Air Pollution Control Equipment</b>
generator with a maximum rating of 600 bhp and fired on natural gas			
Flare	FL-1	FL-1	None
Truck loading	TL-1	TL-1	None
Fugitive emissions	FUG	FUG	None

**C. Owner/Operator (Permit Applicant):**

1. Name: ONEOK Rockies Midstream, LLC
2. Address: P.O. Box 871  
Tulsa, OK 74102-0871
3. Application Date: July 3, 2014

**II. Conditions:** This Permit to Construct allows the construction and initial operation of the above-mentioned new or modified equipment at the source. The source may be operated under this Permit to Construct until a Permit to Operate is issued unless this permit is suspended or revoked. The source is subject to all applicable rules, regulations, and orders now or hereafter in effect of the North Dakota Department of Health and to the conditions specified below.

**A. Emission Limits:** Emission limits from the operation of the source unit(s) identified in Item I.B of this Permit to Construct (hereafter referred to as "permit") are as follows. Source units not listed are subject to the applicable emission limits specified in the North Dakota Air Pollution Control Rules.

<b>Emission Unit Description</b>	<b>EU</b>	<b>EP</b>	<b>Pollutant / Parameter</b>	<b>Emission Limit*</b>
Hot oil heater	H-1	H-1	Opacity	20% (40%**)
Hot oil heater	H-2	H-2	Opacity	20% (40%**)
Regeneration gas heater	H-3	H-3	Opacity	20% (40%**)
Engine-driven generator*	EGEN1	EGEN1	Opacity	20% (40%**)
Engine-driven generator*	EGEN2	EGEN2	Opacity	20% (40%**)
Flare	FL-1	FL-1	Opacity	20% (60%**)

\* If applicable, the engine must also comply with NO<sub>x</sub>, CO and VOC emission limits established in 40 CFR 60, Subpart JJJJ.

\*\* Permissible for not more than one six-minute period per hour.

**B. Fuel Restriction:** All equipment at the facility is restricted to combusting only natural gas containing no more than 2 grains of sulfur per 100 standard cubic feet.

**C. Like-Kind Engine Replacement:** This permit allows the permittee to replace the existing compressor engine with a like-kind engine. Replacement is subject to the following conditions:

1. The Department must be notified within 10 days after change-out of the engine.
2. The replacement engine shall operate in the same manner, provide no increase in throughput and have equal or less emissions than the engine it is replacing.
3. The date of manufacture of the replacement engine must be included in the notification. The facility must comply with any applicable federal standards (e.g. NSPS, MACT) triggered by the replacement.
4. The replacement engine is subject to the same state emission limits as the existing engine in addition to any NSPS or MACT emission limit that is applicable. Testing shall be conducted to confirm compliance with the NO<sub>x</sub> and CO emission limits within 180 days after start-up of the new engine using EPA Reference Methods in 40 CFR 60, Subpart A.

**D. Flaring Restrictions:**

1. Flaring may not be used to burn waste gas for the purpose of increasing or maintaining well production without prior approval from the Department. When it is necessary to operate the flare during emergency, malfunction or maintenance, all precautions shall be taken to minimize emissions and maintain compliance with the applicable ambient air quality standards as outlined in NDAC 33-15-02 and the opacity standard of 20% not to exceed 60% for more than one six-minute period per hour.
2. The flare must be equipped and operated with an automatic ignitor or a continuous burning pilot which must be maintained in good working order as outlined in NDAC 33-15-07-02.
3. The presence of a flame shall be monitored using a thermocouple or any other equivalent device approved by the Department.
4. The flare shall be operated in accordance with the requirements of 40 CFR 60.18.

- E. 40 CFR 60, Subpart Dc:** Hot oil heaters H-1 and H-2 are subject to the requirements of 40 CFR 60, Subpart Dc – Standards of Performance for Small Industrial-Commercial-Institutional Steam Generating Units and the owner/operator must comply with all applicable requirements of this subpart.
- F. 40 CFR 60, Subpart JJJJ:** The owner/operator must comply with all applicable requirements of 40 CFR 60, Subpart JJJJ – Standards of Performance for Stationary Spark Ignition Internal Combustion Engines.

- G. **40 CFR 63, Subpart ZZZZ:** The engines may be subject to 40 CFR 63, Subpart ZZZZ – National Emission Standards for Hazardous Air Pollutants for Stationary Reciprocating Internal Combustion Engines. For this subpart, EPA Region 8, not the North Dakota Department of Health, is the implementing and enforcement authority. All documentation should be sent to EPA at the following address:

U.S. EPA Region 8  
1595 Wynkoop Street  
Mail Code 8ENF – AT  
Denver, CO 80202-1129

- H. **40 CFR 60, Subpart OOOO:** The owner/operator must comply with all applicable requirements of 40 CFR 60, Subpart OOOO – Standards of Performance for Crude Oil and Natural Gas Transmission and Distribution. For this subpart, EPA Region 8, not the North Dakota Department of Health, is the implementing and enforcement authority. All documentation should be sent to EPA at the above address.
- I. **Stack Heights:** Emissions from the hot oil heaters (EU H-1 and EU H-2) and the regeneration gas heater (EU H-3) shall be vented from a stack height which is at least 1.5 times the height of any nearby building. A nearby building is any building located a distance of less than five times the building height from the stack.
- J. **Organic Compounds Emissions:** The permittee shall comply with all applicable requirements of NDAC 33-15-07 – Control of Organic Compounds Emissions.
- K. **Vehicles and Internal Combustion Engines:** No person shall operate, or cause to be operated, any internal combustion engine which emits from any source any unreasonable and excessive smoke, obnoxious or noxious gases, fumes or vapors in accordance with NDAC 33-15-08-01.
- L. **Construction:** Construction of the above described facility shall be in accordance with information provided in the permit application as well as any plans, specifications and supporting data submitted to the Department. The Department shall be notified ten days in advance of any significant deviations from the specifications furnished. The issuance of this Permit to Construct may be suspended or revoked if the Department determines that a significant deviation from the plans and specifications furnished has been or is to be made.

Any violation of a condition issued as part of this permit to construct as well as any construction which proceeds in variance with any information submitted in the application, is regarded as a violation of construction authority and is subject to enforcement action.

- M. **Startup Notice:** A notification of the actual date of initial startup shall be submitted to the Department within 15 days after the date of initial startup.
- N. **Permit Invalidation:** This permit shall become invalid if construction is not commenced within eighteen months after issuance of such permit, if construction is discontinued for a period of eighteen months or more; or if construction is not completed within a reasonable time.
- O. **Fugitive Emissions:** The release of fugitive emissions shall comply with the applicable requirements in NDAC 33-15-17.
- P. **Annual Emission Inventory/Annual Production Reports:** The owner/operator shall submit an annual emission inventory report or an annual production report, upon request, on forms supplied or approved by the Department.
- Q. **Source Operations:** Operations at the installation shall be in accordance with statements, representations, procedures and supporting data contained in the initial application, and any supplemental information or application(s) submitted thereafter. Any operations not listed in this permit are subject to all applicable North Dakota Air Pollution Control Rules.
- R. **Alterations, Modifications or Changes:** Any alteration, repairing, expansion, or change in the method of operation of the source which results in the emission of an additional type or greater amount of air contaminants or which results in an increase in the ambient concentration of any air contaminant, must be reviewed and approved by the Department prior to the start of such alteration, repairing, expansion or change in the method of operation.
- S. **Recordkeeping:** The owner/operator shall maintain any compliance monitoring records required by this permit or applicable requirements. The owner/operator shall retain records of all required monitoring data and support information for a period of at least five years from the date of the monitoring sample, measurement, report or application. Support information may include all calibration and maintenance records and all original strip-chart recordings/computer printouts for continuous monitoring instrumentation, and copies of all reports required by the permit.
- T. **Nuisance or Danger:** This permit shall in no way authorize the maintenance of a nuisance or a danger to public health or safety.
- U. **Malfunction Notification:** The owner/operator shall notify the Department of any malfunction which can be expected to last longer than twenty-four hours and can cause the emission of air contaminants in violation of applicable rules and regulations.

- V. **Operation of Air Pollution Control Equipment:** The owner/operator shall maintain and operate all air pollution control equipment in a manner consistent with good air pollution control practice for minimizing emissions.
- W. **Transfer of Permit to Construct:** The holder of a permit to construct may not transfer such permit without prior approval from the Department.
- X. **Right of Entry:** Any duly authorized officer, employee or agent of the North Dakota Department of Health may enter and inspect any property, premise or place at which the source listed in Item I.B of this permit is located at any time for the purpose of ascertaining the state of compliance with the North Dakota Air Pollution Control Rules. The Department may conduct tests and take samples of air contaminants, fuel, processing material, and other materials which affect or may affect emissions of air contaminants from any source. The Department shall have the right to access and copy any records required by the Department's rules and to inspect monitoring equipment located on the premises.
- Y. **Other Regulations:** The owner/operator of the source unit(s) described in Item I.B of this permit shall comply with all State and Federal environmental laws and rules. In addition, the owner/operator shall comply with all local burning, fire, zoning, and other applicable ordinances, codes, rules and regulations.
- Z. **Permit Issuance:** This permit is issued in reliance upon the accuracy and completeness of the information set forth in the application. Notwithstanding the tentative nature of this information, the conditions of this permit herein become, upon the effective date of this permit, enforceable by the Department pursuant to any remedies it now has, or may in the future have, under the North Dakota Air Pollution Control Law, NDCC Chapter 23-25. Each and every condition of this permit is a material part thereof, and is not severable.
- AA. **Odor Restrictions:** The owner/operator shall not discharge into the ambient air any objectionable odorous air contaminant which is in excess of the limits established in NDAC 33-15-16.

FOR THE NORTH DAKOTA  
DEPARTMENT OF HEALTH

Date 8/13/14

By Terry O'Clair  
Terry L. O'Clair, P.E.  
Director  
Division of Air Quality