



Mitchell E. Daniels, Jr.
Governor

Thomas W. Easterly
Commissioner

100 North Senate Avenue
Indianapolis, Indiana 46204
(317) 232-8603
(800) 451-6027
www.IN.gov/idem

TO: Interested Parties / Applicant
DATE: June 21, 2006
RE: Quicksilver Resources, Inc. / 061-18422-00031
FROM: Nisha Sizemore
Chief, Permits Branch
Office of Air Quality

Notice of Decision – Approval

Please be advised that on behalf of the Commissioner of the Department of Environmental Management, I have issued a decision regarding the enclosed matter. Pursuant to 326 IAC 2, this approval was effective immediately upon submittal of the application.

If you wish to challenge this decision, IC 4-21.5-3-7 requires that you file a petition for administrative review. This petition may include a request for stay of effectiveness and must be submitted to the Office of Environmental Adjudication, 100 North Senate Avenue, Government Center North, Room 1049, Indianapolis, IN 46204, **within eighteen (18) calendar days from the mailing of this notice**. The filing of a petition for administrative review is complete on the earliest of the following dates that apply to the filing:

- (1) the date the document is delivered to the Office of Environmental Adjudication (OEA);
- (2) the date of the postmark on the envelope containing the document, if the document is mailed to OEA by U.S. mail; or
- (3) The date on which the document is deposited with a private carrier, as shown by receipt issued by the carrier, if the document is sent to the OEA by private carrier.

The petition must include facts demonstrating that you are either the applicant, a person aggrieved or adversely affected by the decision or otherwise entitled to review by law. Please identify the permit, decision, or other order for which you seek review by permit number, name of the applicant, location, date of this notice and all of the following:

- (1) the name and address of the person making the request;
- (2) the interest of the person making the request;
- (3) identification of any persons represented by the person making the request;
- (4) the reasons, with particularity, for the request;
- (5) the issues, with particularity, proposed for considerations at any hearing; and
- (6) identification of the terms and conditions which, in the judgment of the person making the request, would be appropriate in the case in question to satisfy the requirements of the law governing documents of the type issued by the Commissioner.

If you have technical questions regarding the enclosed documents, please contact the Office of Air Quality, Permits Branch at (317) 233-0178. Callers from within Indiana may call toll-free at 1-800-451-6027, ext. 3-0178.

Enclosures
FNPER-AM.dot 03/23/06



INDIANA DEPARTMENT OF ENVIRONMENTAL MANAGEMENT
We make Indiana a cleaner, healthier place to live.

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Governor

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Ms. Judy Raab
Quicksilver Resources, Inc.
777 West Rosedale St. Suite 300
Fort Worth, Texas 76104

June 21, 2006

Re: Exempt Construction
and Operation Status
061-18422-00031

Dear Ms. Raab:

The application from Quicksilver Resources, Inc., received on January 21, 2004, has been reviewed. The site has already received an exemption (029-17926-00034) on October 28, 2003, for an internal combustion engine and the application is to add two (2) external combustion units to the site.

Based on the data submitted and the provisions of 326 IAC 2-9-14(a)(1), it has been determined that the following (existing and new combustion units), to be located at 3765 Corydon-Ramsey Road, Corydon, Indiana, is classified as exempt from the requirements to submit a Source Specific Operating Agreement (SSOA) application:

- (a) One (1) Caterpillar G398NA, 4-cycle rich burn natural gas fired HCR compressor engine, with a maximum rating of 500 hp, 1000 rpm and 35.59 MMCF/yr.
- (b) One (1) natural gas fired amine reboiler with a maximum heat input rate of 2.0 MMBtu/hr.
- (c) One (1) natural gas fired glycol dehydrator unit with a maximum heat input rate of 0.125 MMBtu/hr.

The following conditions shall be applicable:

- (1) Pursuant to 326 IAC 5-1-2 (Opacity Limitations) except as provided in 326 IAC 5-1-3 (Temporary Alternative Opacity Limitations) opacity shall meet the following:
 - (a) Opacity shall not exceed an average of forty percent (40%) in any one (1) six (6) minute averaging period as determined in 326 IAC 5-1-4.

- (b) Opacity shall not exceed sixty percent (60%) for more than a cumulative total of 15 minutes (60 readings in a 6-hour period as measured according to 40 CFR 60, Appendix A, Method 9 or fifteen (15) one (1) minute nonoverlapping integrated averages for a continuous opacity monitor) in a six (6) hour period.
- (2) Pursuant to 326 IAC 2-9-14 (Internal Combustion Sources) the following conditions shall apply.
- (a) Natural gas fuel usage shall be limited to less than 43.47 MMCF for every twelve (12) month period.
 - (b) No later than thirty (30) days after receipt of a written request by the OAQ or U.S. EPA, Quicksilver Resources, Inc. must demonstrate compliance with the above fuel usage limitation.

This exemption covers all the combustion units at the site, therefore, it supersedes exemption 029-17926-00034, issued on October 28, 2003.

An application or notification shall be submitted in accordance with 326 IAC 2 to the Office of Air Quality (OAQ) if the source proposes to construct new emission units, modify existing emission units, or otherwise modify the source.

Sincerely,

Original signed by
Kathy Moore, Section Chief
Permits Branch
Office of Air Quality

KM/jm

cc: File – Harrison County
Harrison County Health Department
Air Compliance – Ray Schick
Compliance Data Section
Permit Review Section II – Janet Mobley