South Coast
Air Quality Management District
21865 Copley Drive, Diamond Bar, CA 91765-4178
(909) 396-2000 • www.aqmd.gov

January 8, 2013

Mr. Kelly Roberts
Environmental Health and Safety Advisor
Linn Western Operating, Inc.
2000 Tonner Canyon Road
Brea, CA 92821

Dear Mr. Roberts:

Subject: Linn Operating, Inc. (ID 151532) - Title V Permit Revision

Please find attached the revised Title Page, Table of Contents, Sections D and H and, Appendix A of your RECLAIM/Title V Facility Permit. The revised sections reflect the approval of the permit revision requested in your Application No. 538705. The proposed permit revision was submitted to EPA for 45-day review on Nov. 20, 2012. This permit revision includes the following actions :

Appl. No.	Device No.	Section No.	Proposed action
538706	C202	H	Incorporate in the Facility Permit.
509255	C201	H	To be deleted after Device ID C202 is completely installed and operational.
467320, 467321 & 467322	D28 up to D35, D125, D126, D70 up to D73, D140 up to D142, C143, C144.	D	Deleted. East Naranjal Tank Farm removed from service.
467326	D187	D	Move from Sect. H to Sect. D (Convert Permit to Construct into Permit to Operate).
469342	D198, D199, D200	D	Move from Sect. H to Sect. D (Convert Permits to Construct into Permits to Operate).
		App. A	Add permit-exempt microturbines.

Please review the attached sections carefully and insert them into your RECLAIM/Title V Facility Permit. The earlier versions should be discarded. Questions concerning changes to your permit should be directed to Ms. Maria Vibal at (909) 396-2422.

Sincerely,

William C. Thompson, P.E.
Senior Manager
Operations Team
Engineering and Compliance

WCT:GLT:RGC:MV
Enclosures

South Coast
Air Quality Management District
21865 Copley Drive, Diamond Bar, CA 91765-4178
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January 8, 2013

Mr. Gerardo Rios
Chief, Permits Office
U.S. EPA – Region IX – Air – 3
75 Hawthorne Street
San Francisco, CA 94105

Dear Mr. Rios:

Subject: Linn Operating, Inc. (ID 151532) - Title V Permit Revision

Linn Operating, Inc. is an oil and gas production facility located in Brea, CA. They revised their Title V permit under Application No. 538705 by the following actions :

Appl. No.	Device No.	Section No.	Proposed action
538706	C202	H	Incorporate in the Facility Permit.
509255	C201	H	To be deleted after Device ID C202 is completely installed and operational.
467320, 467321 & 467322	D28 up to D35, D125, D126, D70 up to D73, D140 up to D142, C143, C144.	D	Deleted. East Naranjal Tank Farm removed from service.
467326	D187	D	Move from Sect. H to Sect. D (Convert Permit to Construct into Permit to Operate).
469342	D198, D199, D200	D	Move from Sect. H to Sect. D (Convert Permits to Construct into Permits to Operate).
		App. A	Add permit-exempt microturbines.

This revision is considered a "minor permit revision" to their Title V Facility Permit. A copy was sent for your review on Nov. 20, 2012. Questions concerning these changes should be directed to Ms. Maria Vibal at (909) 396-2422.

Sincerely,

William C. Thompson, P.E.
Senior Manager
Operations Team
Engineering and Compliance

WCT:GLT:RGC:MV
Enclosures

SOUTH COAST AIR QUALITY MANAGEMENT DISTRICT
21865 Copley Drive, Diamond Bar, CA 91765

FACILITY PERMIT TO OPERATE

LINN OPERATING, INC
500 N KRAEMER BLVD
BREA, CA 92821

NOTICE

IN ACCORDANCE WITH RULE 206, THIS PERMIT TO OPERATE OR A COPY THEREOF MUST BE KEPT AT THE LOCATION FOR WHICH IT IS ISSUED.

THIS PERMIT DOES NOT AUTHORIZE THE EMISSION OF AIR CONTAMINANTS IN EXCESS OF THOSE ALLOWED BY DIVISION 26 OF THE HEALTH AND SAFETY CODE OF THE STATE OF CALIFORNIA OR THE RULES OF THE SOUTH COAST AIR QUALITY MANAGEMENT DISTRICT. THIS PERMIT SHALL NOT BE CONSTRUED AS PERMISSION TO VIOLATE EXISTING LAWS, ORDINANCES, REGULATIONS OR STATUTES OF ANY OTHER FEDERAL, STATE OR LOCAL GOVERNMENTAL AGENCIES.

Barry R. Wallerstein, D. Env.
EXECUTIVE OFFICER

By_____
Mohsen Nazemi, P.E.
Deputy Executive Officer
Engineering & Compliance

FACILITY PERMIT TO OPERATE
LINN OPERATING, INC

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FACILITY PERMIT TO OPERATE
LINN OPERATING, INC

SECTION D: FACILITY DESCRIPTION AND EQUIPMENT SPECIFIC CONDITIONS

The operator shall comply with the terms and conditions set forth below:

Equipment	ID No.	Connected To	RECLAIM Source Type/ Monitoring Unit	Emissions * And Requirements	Conditions
Process 1: CRUDE OIL/GAS/WATER SEPARATION					
System 1: TONNER CANYON TANK FARM					
VESSEL, GAS BOOT, HEIGHT: 28 FT ; DIAMETER: 2 FT A/N: 467332	D22	D23			
TANK, WASH, FIXED ROOF, 3000 BBL; DIAMETER: 29 FT 8.63 IN; HEIGHT: 24 FT 1.5 IN A/N: 467332	D23	D22 D41			E127.1, H23.5, H116.1
TANK, CLARIFIER, FIXED ROOF, 2000 BBL; DIAMETER: 29 FT 8.63 IN; HEIGHT: 16 FT 1 IN A/N: 467332	D24	D41			E127.1, H23.5, H116.1
TANK, SHIPPING, CRUDE OIL, FIXED ROOF, 2000 BBL; DIAMETER: 29 FT 8.63 IN; HEIGHT: 16 FT 1 IN A/N: 467332	D25	D41			E127.1, H23.5, H116.1
TANK, WASH (STANDBY), WASTE WATER, FIXED ROOF, 1500 BBL; DIAMETER: 21 FT 6.5 IN; HEIGHT: 24 FT 1.5 IN A/N: 467332	D26	D41			E127.1, H23.5, H116.1
TANK, SLOP OIL, FIXED ROOF, 100 BBL; DIAMETER: 9 FT 2.75 IN; HEIGHT: 8 FT .5 IN A/N: 467332	D27	D41			E127.1, H23.1, H116.1
OIL/GAS/WATER SEPARATOR, PARALLEL PLATE, 750 GALS; WIDTH: 8 FT .5 IN; HEIGHT: 11 FT 7 IN; LENGTH: 9 FT 10 IN A/N: 467332	D127	D41			E127.1, H23.3

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(3) Denotes RECLAIM concentration limit
(4) Denotes BACT emission limit
(5) (5A) (5B) Denotes command and control emission limit
(6) Denotes air toxic control rule limit
(7) Denotes NSR applicability limit
(8) (8A) (8B) Denotes 40 CFR limit (e.g. NSPS, NESHAPS, etc.)
(9) See App B for Emission Limits
(10) See section J for NESHAP/MACT requirements

** Refer to section F and G of this permit to determine the monitoring, recordkeeping and reporting requirements for this device.

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Process 1: CRUDE OIL/GAS/WATER SEPARATION					
VESSEL, FWKO, V-5A, ELECTROSTATIC DEHYDRATOR, LENGTH: 30 FT 10 IN; DIAMETER: 10 FT A/N: 469342	D198				E127.1, H23.3, H116.1
VESSEL, FWKO, V-5B, ELECTROSTATIC DEHYDRATOR, LENGTH: 30 FT 10 IN; DIAMETER: 10 FT A/N: 469342	D199				E127.1, H23.3, H116.1
VESSEL, V-10, FLOTATION CELL, HEIGHT: 10 FT ; DIAMETER: 6 FT A/N: 469342	D200				E127.1, H23.3, H116.1
Process 2: NATURAL GAS PROCESSING - STEARNS GAS PLANT					P13.1
System 1: FIELD GAS COMPRESSION					
SCRUBBER, V-010, FIELD VACUUM SUCTION, HEIGHT: 8 FT ; DIAMETER: 4 FT A/N: 469339	D147	D41 D83			
SCRUBBER, V-030, FIELD VACUUM DISCHARGE, HEIGHT: 8 FT ; DIAMETER: 2 FT A/N: 469339	D148	D41 D83			
System 2: COMPRESSION UNIT					
SCRUBBER, V-100, COMPRESSION INTAKE, LENGTH: 24 FT 10 IN; DIAMETER: 7 FT 6 IN A/N: 469339	D41	D23 D24 D25 D26 D27 D83 D89 D127 D147 D148			
SCRUBBER, V-215, 1ST STAGE SUCTION, HEIGHT: 10 FT ; DIAMETER: 4 FT A/N: 469339	D149	D83 D171			

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Process 2: NATURAL GAS PROCESSING - STEARNS GAS PLANT					P13.1
SCRUBBER, V-220, 2ND STAGE SUCTION, HEIGHT: 6 FT ; DIAMETER: 2 FT 6 IN A/N: 469339	D150	D83 D171			
SCRUBBER, V-235, 2ND STAGE DISCHARGE, HEIGHT: 7 FT ; DIAMETER: 2 FT A/N: 469339	D151	D83 D171			
System 3: PROCESS UNIT					
VESSEL, E-400, GAS/GAS SHELL AND TUBE EXCHANGER, LENGTH: 40 FT ; DIAMETER: 1 FT 6 IN A/N: 469339	D152	D83			
VESSEL, E-410, SHELL AND TUBE GAS CHILLER, LENGTH: 30 FT ; DIAMETER: 2 FT A/N: 469339	D153	D83			
VESSEL, V-430, COLD SEPARATOR, HEIGHT: 6 FT 2 IN; DIAMETER: 2 FT A/N: 469339	D154	D83			
SCRUBBER, V-440, FUEL GAS, HEIGHT: 6 FT 9 IN; DIAMETER: 1 FT 4 IN A/N: 469339	D155	D83 D171			
VESSEL, V-449, SALES GAS COALESCER, HEIGHT: 4 FT ; DIAMETER: 1 FT 6 IN A/N: 469339	D156	D171			
VESSEL, V-450, SALES GAS SEPARATOR, HEIGHT: 6 FT ; DIAMETER: 1 FT 6 IN A/N: 469339	D157	D83 D171			
System 4: PROCESS HEATING SYSTEM					

* (1) (1A) (1B) Denotes RECLAIM emission factor
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FACILITY PERMIT TO OPERATE
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Equipment	ID No.	Connected To	RECLAIM Source Type/ Monitoring Unit	Emissions * And Requirements	Conditions
Process 2: NATURAL GAS PROCESSING - STEARNS GAS PLANT					P13.1
HEATER, H-640, PROCESS GAS, BROACH, WITH LOW NOX BURNER, 1.75 MMBTU/HR WITH A/N: 469338 BURNER, PROCESS GAS, ZEECO, MODEL GSSFW-4, WITH LOW NOX BURNER	D86		NOX: PROCESS UNIT**	**CO**: 2000 PPMV PROCESS GAS (5A) **[RULE 407, 4-2-1982]**; **NOX**: 30 PPMV (4) **[RULE 1303(a)(1)-BACT, 5-10-1996]**; **NOX**: 130 LBS/MMSCF PROCESS GAS (1) **[RULE 2012, 5-6-2005]**; **PM**: (9) **[RULE 404, 2-7-1986]**; **PM**: 0.1 GRAINS/SCF (5) **[RULE 409, 8-7-1981]**; **SOX**: 500 PPMV PROCESS GAS (5) **[RULE 407, 4-2-1982]**	
TANK, SURGE, V-600, HEIGHT: 6 FT ; DIAMETER: 2 FT A/N: 469338	D87	D83			
System 5: REFRIGERATION UNIT					
VESSEL, V-370, REFRIGERANT RECEIVER, LENGTH: 9 FT ; DIAMETER: 2 FT 6 IN A/N: 469339	D89	D41 D171			
SCRUBBER, V-350, REFRIGERANT SUCTION, HEIGHT: 5 FT ; DIAMETER: 2 FT 6 IN A/N: 469339	D158	D83 D171			
VESSEL, V-320, REFRIGERANT COMPRESSOR OIL SEPARATOR, HEIGHT: 8 FT ; DIAMETER: 3 FT A/N: 469339	D159	D83			

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Process 2: NATURAL GAS PROCESSING - STEARNS GAS PLANT					P13.1
VESSEL, E-420, REFRIGERANT SUBCOOLER EXCHANGER, LENGTH: 24 FT ; DIAMETER: 2 FT A/N: 469339	D160	D83			
VESSEL, E-421, REFRIGERANT EXCHANGER, LENGTH: 24 FT ; DIAMETER: 2 FT A/N: 469339	D161	D83			
VESSEL, V-795, REFRIGERANT (MAKE-UP), 1000 GALS, LENGTH: 15 FT ; DIAMETER: 3 FT A/N: 469339	D162	C84			
System 6: GLYCOL REGENERATION AND STABILIZATION					
TOWER, C-510, STABILIZER, HEIGHT: 48 FT ; DIAMETER: 2 FT A/N: 469339	D163	D83			
VESSEL, E-500, STABILIZER REBOILER SHELL AND TUBE EXCHANGER, LENGTH: 24 FT ; DIAMETER: 2 FT A/N: 469339	D164	D83 D171			
VESSEL, E-510, GLYCOL EXCHANGER, WIDTH: 6 IN; HEIGHT: 1 FT ; LENGTH: 22 FT A/N: 469339	D165				
VESSEL, V-431, GLYCOL SEPARATOR, HEIGHT: 6 FT 5 IN; DIAMETER: 3 FT 6 IN A/N: 469339	D166	D83			
VESSEL, V-580, GLYCOL REGENERATOR, HEIGHT: 8 FT ; DIAMETER: 2 FT A/N: 469339	D167	D171			

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The operator shall comply with the terms and conditions set forth below:

Equipment	ID No.	Connected To	RECLAIM Source Type/ Monitoring Unit	Emissions * And Requirements	Conditions
Process 2: NATURAL GAS PROCESSING - STEARNS GAS PLANT					P13.1
SCRUBBER, V-520, RECOMPRESSION SUCTION, HEIGHT: 4 FT ; DIAMETER: 1 FT A/N: 469339	D168	D83 D171			
System 7: ODORANT SYSTEM - SALES GAS					
VESSEL, 1, ODORANT, 50 GALS A/N: 467338	D79				
VESSEL, 2, ODORANT, 50 GALS A/N: 467338	D80				
ODORANT DISPENSING EQUIPMENT, LOW PRESSURE A/N: 467338	D81				
ODORANT DISPENSING EQUIPMENT, HIGH PRESSURE A/N: 467338	D82				
System 8: PROPANE EXTRACTION SYSTEM					
VESSEL, E-800, DEPROPANIZER REBOILER SHELL AND TUBE EXCHANGER, LENGTH: 12 FT ; DIAMETER: 2 FT 6 IN A/N: 469339	D172	D83			
TOWER, V-810, DEPROPANIZER FRACTIONATION, HEIGHT: 36 FT ; DIAMETER: 2 FT A/N: 469339	D173	D83			
ACCUMULATOR, V-820, DEPROPANIZER REFLUX, HEIGHT: 7 FT ; DIAMETER: 2 FT 7 IN A/N: 469339	D174	D83			

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** Refer to section F and G of this permit to determine the monitoring, recordkeeping and reporting requirements for this device.

FACILITY PERMIT TO OPERATE
LINN OPERATING, INC

SECTION D: FACILITY DESCRIPTION AND EQUIPMENT SPECIFIC CONDITIONS

The operator shall comply with the terms and conditions set forth below:

Equipment	ID No.	Connected To	RECLAIM Source Type/ Monitoring Unit	Emissions * And Requirements	Conditions
Process 2: NATURAL GAS PROCESSING - STEARNS GAS PLANT					P13.1
CONDENSER, AC-830, DEPROPANIZER REFLUX, WIDTH: 9 FT ; LENGTH: 14 FT A/N: 469339	D175				
TOWER, V-840, DEBUTANIZER FRACTIONATION, HEIGHT: 20 FT ; DIAMETER: 1 FT A/N: 469339	D176	D83			
ACCUMULATOR, V-850, DEBUTANIZER REFLUX, HEIGHT: 7 FT ; DIAMETER: 1 FT 6 IN A/N: 469339	D177	D83			
CONDENSER, AC-860, DEPROPANIZER REFLUX, WIDTH: 9 FT ; LENGTH: 14 FT A/N: 469339	D178				
VESSEL, C-870, PROPANE LIQUID TREATER, LENGTH: 10 FT ; DIAMETER: 2 FT A/N: 469339	D179	D83			
FILTER, F-875, PROPANE PARTICLE, 3 MICRON RATING, MODEL CUNO CT101 A/N: 469339	D180	D83			
Process 3: INTERNAL COMBUSTION ENGINES					
INTERNAL COMBUSTION ENGINE, EMERGENCY FIRE, DIESEL FUEL, WITH AFTERCOOLER, TURBOCHARGER, 300 HP A/N: 469332	D74		NOX: PROCESS UNIT**	**NOX**: 469 LBS/1000 GAL DIESEL (1) **[RULE 2012, 5-6-2005]; PM**: (9) **[RULE 404, 2-7-1986]**	C1.1, D12.1, K67.2

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FACILITY PERMIT TO OPERATE
LINN OPERATING, INC

SECTION D: FACILITY DESCRIPTION AND EQUIPMENT SPECIFIC CONDITIONS

The operator shall comply with the terms and conditions set forth below:

Equipment	ID No.	Connected To	RECLAIM Source Type/ Monitoring Unit	Emissions * And Requirements	Conditions
Process 3: INTERNAL COMBUSTION ENGINES					
INTERNAL COMBUSTION ENGINE, EMERGENCY POWER, DIESEL FUEL, WITH AFTERCOOLER, TURBOCHARGER, 125 HP A/N: 467337	D75		NOX: PROCESS UNIT**	**NOX**: 469 LBS/1000 GAL DIESEL (1) **[RULE 2012, 5-6-2005]**; **PM**: (9) **[RULE 404, 2-7-1986]**	C1.1, C177.1, D12.1, E114.1, K67.2
Process 4: STORAGE AND LOADING					
STORAGE TANK, PRESSURIZED, V-790, PROPANE, 60630 GALS; DIAMETER: 9 FT 9 IN; LENGTH: 102 FT A/N: 469334	D18				J123.1
STORAGE TANK, PRESSURIZED, V-793, PROPANE, ABOVEGROUND, 30000 GALS; DIAMETER: 10 FT ; LENGTH: 30 FT A/N: 467331	D145				
LOADING ARM, BOTTOM, TANK TRUCK, LIQUIFIED PETROLEUM GAS, WITH A VAPOR RETURN LINE A/N: 467330	D85				E144.1
LOADING ARM, BOTTOM, TANK TRUCK, PROPANE, WITH A VAPOR RETURN LINE A/N: 467330	D146				E57.1
Process 5: FLARE SYSTEM					

* (1) (1A) (1B) Denotes RECLAIM emission factor
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FACILITY PERMIT TO OPERATE
LINN OPERATING, INC

SECTION D: FACILITY DESCRIPTION AND EQUIPMENT SPECIFIC CONDITIONS

The operator shall comply with the terms and conditions set forth below:

Equipment	ID No.	Connected To	RECLAIM Source Type/ Monitoring Unit	Emissions * And Requirements	Conditions
Process 5: FLARE SYSTEM					
KNOCK OUT POT, V-720, HEIGHT: 8 FT ; DIAMETER: 5 FT A/N: 467335	D83	D41 C84 D87 D147 D148 D149 D150 D151 D152 D153 D154 D155 D157 D158 D159 D160 D161 D163 D164 D166 D168 D169 D171 D172 D173 D174 D176 D177 D179 D180			
FLARE, EMERGENCY, PROCESS GAS, AIR ASSISTED TYPE, HEIGHT: 40 FT ; DIAMETER: 1 FT ; 284.4 MMBTU/HR A/N: 467335	C84	D83 D162		**CO**: 2000 PPMV (5) **[RULE 407, 4-2-1982]**; **PM**: (9) **[RULE 404, 2-7-1986]**; **PM**: 0.1 GRAINS/SCF (5) **[RULE 409, 8-7-1981]**; **SOX**: 500 PPMV PROCESS GAS (5) **[RULE 407, 4-2-1982]**	C1.2, C1.3, D12.2, I1.1
Process 6: VAPOR RECOVERY AND DRAIN SYSTEM					
SCRUBBER, V-210, VRU SUCTION, HEIGHT: 5 FT ; DIAMETER: 1 FT 6 IN A/N: 469339	D169	D83 D171			
TANK, TK-903, FIXED ROOF, GRAVITY DRAIN, 100 BBL; DIAMETER: 9 FT 6 IN; HEIGHT: 8 FT A/N: 469339	D170	D171			

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The operator shall comply with the terms and conditions set forth below:

Equipment	ID No.	Connected To	RECLAIM Source Type/ Monitoring Unit	Emissions * And Requirements	Conditions
Process 6: VAPOR RECOVERY-AND DRAIN SYSTEM					
COMPRESSOR, K-250, 5 HP ELECTRIC MOTOR A/N: 469339	D171	D83 D89 D149 D150 D151 D155 D156 D157 D158 D164 D167 D168 D169 D170			
Process 8: R219 EXEMPT EQUIPMENT SUBJECT TO A SOURCE SPECIFIC RULE					
RULE 219 EXEMPT EQUIPMENT, WELL HEADS AND PUMPS, OIL AND GAS	E128				H23.6
RULE 219 EXEMPT EQUIPMENT, COATING EQUIPMENT, PORTABLE, ARCHITECTURAL COATINGS	E129			**ROG**: (9) **[RULE 1113, 11-8-1996;** *RULE 1113, 7-13-2007;* **RULE 1171, 11-7-2003;** *RULE 1171, 5-1-2009***]**	K67.1
Process 10: Power Generation					
GAS TURBINE, NO. 1, PROCESS GAS, SOLAR CENTAUR, MODEL 50-T5700, SIMPLE CYCLE, WITH WATER INJECTION, 49.37 MMBTU/HR WITH A/N: 512636	D182	C184 C186 S188	NOX: MAJOR SOURCE**	**CO**: 10 PPMV (4) **[RULE 1703 - PSD Analysis, 10-7-1988]**; **CO**: 2000 PPMV (5) **[RULE 407, 4-2-1982]**; **NOX**: 9 PPMV (4) **[RULE 2005, 5-6-2005]**; **NOX**: 211 PPMV (8) **[40CFR 60 Subpart GG, 2-24-2006]**; **PM**: 0.1 GRAINS/SCF (5) **[RULE 409, 8-7-1981]**; **SOX**: 150 PPMV (8) **[40CFR 60 Subpart GG, 2-24-2006]**; **SOX**: 500 PPMV (5) **[RULE 407, 4-2-1982]**	A99.1, A195.1, A195.3, D82.1, D82.2, K40.1
GENERATOR, 3975 KW					

* (1) (1A) (1B) Denotes RECLAIM emission factor
(2) (2A) (2B) Denotes RECLAIM emission rate
(3) Denotes RECLAIM concentration limit
(4) Denotes BACT emission limit
(5) (5A) (5B) Denotes command and control emission limit
(6) Denotes air toxic control rule limit
(7) Denotes NSR applicability limit
(8) (8A) (8B) Denotes 40 CFR limit (e.g. NSPS, NESHAPS, etc.)
(9) See App B for Emission Limits
(10) See section J for NESHAP/MACT requirements

** Refer to section F and G of this permit to determine the monitoring, recordkeeping and reporting requirements for this device.

FACILITY PERMIT TO OPERATE
LINN OPERATING, INC

SECTION D: FACILITY DESCRIPTION AND EQUIPMENT SPECIFIC CONDITIONS

The operator shall comply with the terms and conditions set forth below:

Equipment	ID No.	Connected To	RECLAIM Source Type/ Monitoring Unit	Emissions * And Requirements	Conditions
Process 10: Power Generation					
SELECTIVE CATALYTIC REDUCTION, BASF NOXCAT ZNX, WITH 214 CUBIC FEET OF TOTAL CATALYST VOLUME WITH A/N: 512635 AMMONIA INJECTION	C184	D182		**NH3**: 10 PPMV (4) **[RULE 1303(a)(1)-BACT, 5-10-1996;** *RULE 1303(a)(1)-BACT, 12-6-2002*]	A195.2, D12.3, D28.2, . E179.1, E179.2
CO OXIDATION CATALYST, BASF CAMET, WITH 34.3 CUBIC FEET OF TOTAL CATALYST VOLUME A/N: 512635	C186	D182			
STORAGE TANK, PRESSURIZED, AQUEOUS AMMONIA, 25% SOLUTION, 8000 GALS; DIAMETER: 7 FT ; LENGTH: 27 FT A/N: 467326	D187				C157.1, E144.1
STACK A/N: 512636	S188	D182			

* (1) (1A) (1B) Denotes RECLAIM emission factor
(2) (2A) (2B) Denotes RECLAIM emission rate
(3) Denotes RECLAIM concentration limit
(4) Denotes BACT emission limit
(5) (5A) (5B) Denotes command and control emission limit
(6) Denotes air toxic control rule limit
(7) Denotes NSR applicability limit
(8) (8A) (8B) Denotes 40 CFR limit (e.g. NSPS, NESHAPS, etc.)
(9) See App B for Emission Limits
(10) See section J for NESHAP/MACT requirements

** Refer to section F and G of this permit to determine the monitoring, recordkeeping and reporting requirements for this device.

FACILITY PERMIT TO OPERATE
LINN OPERATING, INC

SECTION D: FACILITY DESCRIPTION AND EQUIPMENT SPECIFIC CONDITIONS

The operator shall comply with the terms and conditions set forth below:

Equipment	ID No.	Connected To	RECLAIM Source Type/ Monitoring Unit	Emissions * And Requirements	Conditions
Process 10: Power Generation					
GAS TURBINE, NO. 2, PROCESS GAS, SOLAR CENTAUR, MODEL 50-T5701, SIMPLE CYCLE, WITH STEAM OR WATER INJECTION, 49.37 MMBTU/HR WITH A/N: 512637 GENERATOR, 3845 KW	D189	C191 C193 S194	NOX: MAJOR SOURCE**	**CO**: 10 PPMV (4) **[RULE 1303(a)(1)-BACT, 5-10-1996; RULE 1703 - PSD Analysis, 10-7-1988]**; **CO**: 2000 PPMV (5) **[RULE 407, 4-2-1982]**; **NOX**: 9 PPMV (4) **[RULE 2005, 5-6-2005]**; **NOX**: 36.3 LBS/MMSCF PROCESS GAS (1) **[RULE 2012, 5-6-2005]**; **NOX**: 209 PPMV (8) **[40CFR 60 Subpart GG, 2-24-2006]**; **PM**: 0.1 GRAINS/SCF (5) **[RULE 409, 8-7-1981]**; **SOX**: 150 PPMV (8) **[40CFR 60 Subpart GG, 2-24-2006]**; **SOX**: 500 PPMV (5) **[RULE 407, 4-2-1982]**	A99.1, A195.1, A195.3, D82.1, D82.2, K40.1
SELECTIVE CATALYTIC REDUCTION, BASF NOXCAT ZNX, WITH 280 CUBIC FEET OF TOTAL CATALYST VOLUME, WIDTH: 10 FT ; HEIGHT: 16 FT ; LENGTH: 5.25 IN WITH A/N: 512638 AMMONIA INJECTION	C191	D189		**NH3**: 10 PPMV (4) **[RULE 1303(a)(1)-BACT, 5-10-1996;** *RULE 1303(a)(1)-BACT, 12-6-2002***]**	A195.2, D12.3, D28.2, E179.1, E179.2
CO OXIDATION CATALYST, BASF CAMET, WITH 23.3 CUBIC FEET OF TOTAL CATALYST VOLUME A/N: 512638	C193	D189			
STACK A/N: 512637	S194	D189			

* (1) (1A) (1B) Denotes RECLAIM emission factor
(2) (2A) (2B) Denotes RECLAIM emission rate
(3) Denotes RECLAIM concentration limit
(4) Denotes BACT emission limit
(5) (5A) (5B) Denotes command and control emission limit
(6) Denotes air toxic control rule limit
(7) Denotes NSR applicability limit
(8) (8A) (8B) Denotes 40 CFR limit (e.g. NSPS, NESHAPS, etc.)
(9) See App B for Emission Limits
(10) See section J for NESHAP/MACT requirements

** Refer to section F and G of this permit to determine the monitoring, recordkeeping and reporting requirements for this device.

FACILITY PERMIT TO OPERATE
LINN OPERATING, INC

SECTION D: DEVICE ID INDEX

The following sub-section provides an index to the devices that make up the facility description sorted by device ID.

FACILITY PERMIT TO OPERATE
LINN OPERATING, INC

SECTION D: DEVICE ID INDEX

Device Index For Section D			
Device ID	Section D Page No.	Process	System
D18	8	4	0
D22	1	1	1
D23	1	1	1
D24	1	1	1
D25	1	1	1
D26	1	1	1
D27	1	1	1
D41	2	2	2
D74	7	3	0
D75	8	3	0
D79	6	2	7
D80	6	2	7
D81	6	2	7
D82	6	2	7
D83	9	5	0
C84	9	5	0
D85	8	4	0
D86	4	2	4
D87	4	2	4
D89	4	2	5
D127	1	1	1
E128	10	8	0
E129	10	8	0
D145	8	4	0
D146	8	4	0
D147	2	2	1
D148	2	2	1
D149	2	2	2
D150	3	2	2
D151	3	2	2
D152	3	2	3
D153	3	2	3
D154	3	2	3
D155	3	2	3
D156	3	2	3

FACILITY PERMIT TO OPERATE
LINN OPERATING, INC

SECTION D: DEVICE ID INDEX

Device Index For Section D			
Device ID	Section D Page No.	Process	System
D157	3	2	3
D158	4	2	5
D159	4	2	5
D160	5	2	5
D161	5	2	5
D162	5	2	5
D163	5	2	6
D164	5	2	6
D165	5	2	6
D166	5	2	6
D167	5	2	6
D168	6	2	6
D169	9	6	0
D170	9	6	0
D171	10	6	0
D172	6	2	8
D173	6	2	8
D174	6	2	8
D175	7	2	8
D176	7	2	8
D177	7	2	8
D178	7	2	8
D179	7	2	8
D180	7	2	8
D182	10	10	0
C184	11	10	0
C186	11	10	0
D187	11	10	0
S188	11	10	0
D189	12	10	0
C191	12	10	0
C193	12	10	0
S194	12	10	0
D198	2	1	1
D199	2	1	1

FACILITY PERMIT TO OPERATE
LINN OPERATING, INC

SECTION D: DEVICE ID INDEX

Device Index For Section D			
Device ID	**Section D Page No.**	**Process**	**System**
D200	2	1	1

FACILITY PERMIT TO OPERATE
LINN OPERATING, INC

SECTION D: FACILITY DESCRIPTION AND EQUIPMENT SPECIFIC CONDITIONS

The operator shall comply with the terms and conditions set forth below:

FACILITY CONDITIONS

F2.1 The operator shall limit emissions from this facility as follows:

CONTAMINANT	EMISSIONS LIMIT
Sulfur compounds	Less than or equal to 5 LBS PER DAY

For the purpose of this condition, the sulfur compound emission limit shall be verified through monthly gas analysis of sulfur content using District Method 307-91. The operator shall calculate the daily sulfur emissions by multiplying the results of the monthly gas analysis in ppm as H2S by 0.0899 and by the fuel use in mmscf/day. The operator shall keep records of the monthly gas analysis and daily records of the fuel gas usage for a minimum of five years.

[RULE 431.1, 6-12-1998]

F9.1 Except for open abrasive blasting operations, the operator shall not discharge into the atmosphere from any single source of emissions whatsoever any air contaminant for a period or periods aggregating more than three minutes in any one hour which is:

(a) As dark or darker in shade as that designated No.1 on the Ringelmann Chart, as published by the United States Bureau of Mines; or

(b) Of such opacity as to obscure an observer's view to a degree equal to or greater than does smoke described in subparagraph (a) of this condition.

[RULE 401, 3-2-1984; RULE 401, 11-9-2001]

F14.1 The operator shall not burn fuel oil containing sulfur compounds in excess of 0.05 percent by weight.

FACILITY PERMIT TO OPERATE
LINN OPERATING, INC

SECTION D: FACILITY DESCRIPTION AND EQUIPMENT SPECIFIC CONDITIONS

The operator shall comply with the terms and conditions set forth below:

[RULE 431.2, 5-4-1990; RULE 431.2, 9-15-2000]

F14.2 The operator shall not purchase diesel fuel containing sulfur compounds in excess of 15 ppm by weight as supplied by the supplier.

This condition shall become effective on or after June 1, 2004.

[RULE 431.2, 5-4-1990; RULE 431.2, 9-15-2000]

PROCESS CONDITIONS

P13.1 All devices under this process are subject to the applicable requirements of the following rules or regulations:

Contaminant	Rule	Rule/Subpart
Total Reduced Sulfur	40CFR60, SUBPART	LLL

[40CFR 60 Subpart LLL, 10-3-1986]

[Processes subject to this condition : 2]

DEVICE CONDITIONS

A. Emission Limits

A99.1 The 9 PPM NOX emission limit(s) shall not apply during start-up or shutdown, or the initial start-up period. The initial start-up period shall not exceed 30 calendar days from the date of installation. The start-up and shutdown time shall not exceed 15 minutes per hour each.

FACILITY PERMIT TO OPERATE
LINN OPERATING, INC

SECTION D: FACILITY DESCRIPTION AND EQUIPMENT SPECIFIC CONDITIONS

The operator shall comply with the terms and conditions set forth below:

[**RULE 1303(a)(1)-BACT, 5-10-1996;** RULE 1303(a)(1)-BACT, 12-6-2002; **RULE 2005, 5-6-2005**]

[Devices subject to this condition : D182, D189]

A195.1 The 10 PPM CO emission limit(s) is averaged over 15 minutes, at 15 percent oxygen.

[**RULE 1703 - PSD Analysis, 10-7-1988**]

[Devices subject to this condition : D182, D189]

A195.2 The 10 PPM NH3 emission limit(s) is averaged over 15 minutes, at 15 percent oxygen.

[RULE 1303(a), 12-6-2002; **RULE 1303(a)(1)-BACT, 5-10-1996**]

[Devices subject to this condition : C184, C191]

A195.3 The 9 PPM NOX emission limit(s) is averaged over 15 minutes, at 15 percent oxygen, dry.

[**RULE 2005, 5-6-2005**]

[Devices subject to this condition : D182, D189]

C. Throughput or Operating Parameter Limits

C1.1 The operator shall limit the operating time to no more than 199 hour(s) in any one year.

FACILITY PERMIT TO OPERATE
LINN OPERATING, INC

SECTION D: FACILITY DESCRIPTION AND EQUIPMENT SPECIFIC CONDITIONS

The operator shall comply with the terms and conditions set forth below:

[RULE 1110.2, 7-9-2010; **RULE 1304(a)-Modeling and Offset Exemption, 6-14-1996; RULE 2012, 5-6-2005**]

[Devices subject to this condition : D74, D75]

C1.2 The operator shall limit the fuel usage to no more than 130.46 MM cubic feet per year.

The operator shall maintain records of the flare operation and the reason for operation. The records shall be kept in a manner approved by the District, to demonstrate compliance with this condition.

[**RULE 1303(b)(2)-Offset, 5-10-1996;** RULE 1303(b)(2)-Offset, 12-6-2002; **RULE 2012, 5-6-2005**]

[Devices subject to this condition : C84]

C1.3 The operator shall limit the fuel usage to no more than 20 MM cubic feet per month.

[**RULE 1303(b)(2)-Offset, 5-10-1996;** RULE 1303(b)(2)-Offset, 12-6-2002; **RULE 2012, 5-6-2005**]

[Devices subject to this condition : C84]

C157.1 The operator shall install and maintain a pressure relief valve set at 15 psig.

[**RULE 1303(a)(1)-BACT, 5-10-1996;** RULE 1303(a)(1)-BACT, 12-6-2002]

[Devices subject to this condition : D187]

FACILITY PERMIT TO OPERATE
LINN OPERATING, INC

SECTION D: FACILITY DESCRIPTION AND EQUIPMENT SPECIFIC CONDITIONS

The operator shall comply with the terms and conditions set forth below:

C177.1 The operator shall set and maintain the fuel injection timing of the engine at 4 degrees retarded relative to standard timing.

[RULE 1303(a)(1)-BACT, 5-10-1996]

[Devices subject to this condition : D75]

D. Monitoring/Testing Requirements

D12.1 The operator shall install and maintain a(n) non-resettable elapsed time meter to accurately indicate the elapsed operating time of the engine.

[RULE 1110.2, 7-9-2010; **RULE 1304(a)-Modeling and Offset Exemption, 6-14-1996; RULE 2012, 5-6-2005**]

[Devices subject to this condition : D74, D75]

D12.2 The operator shall install and maintain a(n) flow meter to accurately indicate the flow rate of the vented gases to the flare.

The operator shall also install and maintain a device to continuously record the parameter being measured.

[RULE 1303(a)(1)-BACT, 5-10-1996; RULE 1303(a)(1)-BACT, 12-6-2002]

[Devices subject to this condition : C84]

D12.3 The operator shall install and maintain a(n) continuous monitoring system to accurately indicate the ammonia injection rate of the SCR system.

The operator shall also install and maintain a device to continuously record the parameter being measured.

FACILITY PERMIT TO OPERATE
LINN OPERATING, INC

SECTION D: FACILITY DESCRIPTION AND EQUIPMENT SPECIFIC CONDITIONS

The operator shall comply with the terms and conditions set forth below:

[RULE 1303(a)(1)-BACT, 5-10-1996]

[Devices subject to this condition : C184, C191]

D28.2 The operator shall conduct source test(s) in accordance with the following specifications:

The test shall be conducted quarterly during the first 12 months of operation and at least annually thereafter.

The test shall be conducted to determine the NH3 emissions using District method 207.1 and 5.3 or EPA method 17.

The District shall be notified of the date and time of the test at least 10 days prior to the test.

The test shall be conducted and the results submitted to the District within 45 days after the test date.

[RULE 1303(a)(1)-BACT, 5-10-1996]

[Devices subject to this condition : C184, C191]

D82.1 The operator shall install and maintain a CEMS to measure the following parameters:

NOX concentration in ppmv

The CEMS shall be installed and operating no later than 12 months after the initial start-up of the turbine. During the interim period between the initial start-up and the provisional certification date of the CEMS, the operator shall comply with the monitoring requirements of Rule 2012(h)(2) and 2012(h)(3). The operator shall provide written notification of the turbine intial start-up date. Notification shall be submitted within 2 weeks upon initial start-up of the turbine.

FACILITY PERMIT TO OPERATE
LINN OPERATING, INC

SECTION D: FACILITY DESCRIPTION AND EQUIPMENT SPECIFIC CONDITIONS

The operator shall comply with the terms and conditions set forth below:

[RULE 2005, 5-6-2005; RULE 2012, 5-6-2005]

[Devices subject to this condition : D182, D189]

D82.2 The operator shall install and maintain a CEMS to measure the following parameters:

CO concentration in ppmv

Concentrations shall be corrected to 15 percent oxygen on a dry basis.

The CEMS shall be installed and operated in accordance with an approved AQMD Rule 218 CEMS plan application. The operator shall not install the CEMS prior to receiving initial approval from the AQMD.

[RULE 1303(a)(1)-BACT, 5-10-1996; RULE 1303(a)(1)-BACT, 12-6-2002]

[Devices subject to this condition : D182, D189]

E. Equipment Operation/Construction Requirements

E57.1 The operator shall vent this equipment to the plant compression system, or back into the propane storage tank whenever loading operations are occuring.

[RULE 1303(b)(2)-Offset, 5-10-1996]

[Devices subject to this condition : D146]

E114.1 The operator shall not use this equipment in conjunction with any utility voluntary demand reduction program.

[RULE 1304(a)-Modeling and Offset Exemption, 6-14-1996]

FACILITY PERMIT TO OPERATE
LINN OPERATING, INC

SECTION D: FACILITY DESCRIPTION AND EQUIPMENT SPECIFIC CONDITIONS

The operator shall comply with the terms and conditions set forth below:

[Devices subject to this condition : D75]

E127.1 The operator shall keep gauge/sample hatches closed except during actual gauging/sampling operations.

[RULE 1176, 9-13-1996; RULE 1303(b)(2)-Offset, 5-10-1996; RULE 463, 5-6-2005]

[Devices subject to this condition : D23, D24, D25, D26, D27, D127, D198, D199, D200]

E144.1 The operator shall vent this equipment, during filling, only to the vessel from which it is being filled.

[**RULE 1303(a)(1)-BACT, 5-10-1996;** RULE 1303(a)(1)-BACT, 12-6-2002; **RULE 461, 6-3-2005;** RULE 461, 3-7-2008]

[Devices subject to this condition : D85, D187]

E179.1 For the purpose of the following condition number(s), continuous monitoring shall be defined as measuring at least once every 15 minutes, except as allowable by Rule 2000.

Condition Number D 12- 3

[RULE 1303(a)(1)-BACT, 5-10-1996; RULE 1303(a)(1)-BACT, 12-6-2002]

[Devices subject to this condition : C184, C191]

E179.2 For the purpose of the following condition number(s), continuous recording shall be defined as recording at least once every hour.

Condition Number 12-3

FACILITY PERMIT TO OPERATE
LINN OPERATING, INC

SECTION D: FACILITY DESCRIPTION AND EQUIPMENT SPECIFIC CONDITIONS

The operator shall comply with the terms and conditions set forth below:

[RULE 1303(a)(1)-BACT, 5-10-1996]

[Devices subject to this condition : C184, C191]

H. Applicable Rules

H23.1 This equipment is subject to the applicable requirements of the following rules or regulations:

Contaminant	Rule	Rule/Subpart
ROG	District Rule	463

[RULE 463, 5-6-2005]

[Devices subject to this condition : D27]

H23.3 This equipment is subject to the applicable requirements of the following rules or regulations:

Contaminant	Rule	Rule/Subpart
ROG	District Rule	1176
ROG	District Rule	464

[RULE 1176, 9-13-1996; RULE 464, 12-7-1990]

[Devices subject to this condition : D127, D198, D199, D200]

H23.5 This equipment is subject to the applicable requirements of the following rules or regulations:

FACILITY PERMIT TO OPERATE
LINN OPERATING, INC

SECTION D: FACILITY DESCRIPTION AND EQUIPMENT SPECIFIC CONDITIONS

The operator shall comply with the terms and conditions set forth below:

Contaminant	Rule	Rule/Subpart
ROG	District Rule	463
ROG	District Rule	1149

[**RULE 1149, 7-14-1995;** RULE 1149, 5-2-2008; **RULE 463, 5-6-2005**]

[Devices subject to this condition : D23, D24, D25, D26]

H23.6 This equipment is subject to the applicable requirements of the following rules or regulations:

Contaminant	Rule	Rule/Subpart
ROG	District Rule	1173
TOC	District Rule	1148.1

[RULE 1148.1, 3-5-2004; **RULE 1173, 5-13-1994;** RULE 1173, 2-6-2009]

[Devices subject to this condition : E128]

H116.1 The operator shall meet all requirements and notify the District a minimum of 24 hours prior to painting in order to comply with Rule 1113 whenever the tank is been painted.

[**RULE 1113, 11-8-1996;** RULE 1113, 7-13-2007]

[Devices subject to this condition : D23, D24, D25, D26, D27, D198, D199, D200]

I. Administrative

FACILITY PERMIT TO OPERATE
LINN OPERATING, INC

SECTION D: FACILITY DESCRIPTION AND EQUIPMENT SPECIFIC CONDITIONS

The operator shall comply with the terms and conditions set forth below:

11.1 The operator shall comply with all the requirements of the Stipulated Order for Abatement, Case No. 5711-6, dated March 2, 2011 in accordance with the Findings and Decisions of the Hearing Board or as subsequently modified by the Hearing Board. The operator shall submit progress reports at least semi-annually, or more frequently if specified in the Findings and Decisions. The progress reports shall contain dates for achieving activities, milestones or compliance required in the schedule of compliance and dates when such activities, milestones or compliance were achieved; and an explanation of why any dates in the schedule of compliance were not, or will not be met, and any preventative or corrective measures adopted.

[RULE 3004(a)(10)(C), 12-12-1997]

[Devices subject to this condition : C84]

J. Rule 461

J123.1 The operator shall not dispense fuel from this equipment into motor vehicles.

[RULE 1303(b)(2)-Offset, 5-10-1996]

[Devices subject to this condition : D18]

K. Record Keeping/Reporting

K40.1 The operator shall provide to the District a source test report in accordance with the following specifications:

FACILITY PERMIT TO OPERATE
LINN OPERATING, INC

SECTION D: FACILITY DESCRIPTION AND EQUIPMENT SPECIFIC CONDITIONS

The operator shall comply with the terms and conditions set forth below:

Source test results shall be submitted to the District no later than 60 days after the source test was conducted.

Emission data shall be expressed in terms of concentration (ppmv), corrected to 15 percent oxygen, dry basis.

All exhaust flow rate shall be expressed in terms of dry standard cubic feet per minute (DSCFM) and dry actual cubic feet per minute (DACFM).

All moisture concentration shall be expressed in terms of percent corrected to 15 percent oxygen.

Emission data shall be expressed in terms of mass rate (lbs/hr). In addition, solid PM emissions, if required to be tested, shall also be reported in terms of grains per DSCF.

Emission data shall be expressed in terms of lbs/MM cubic feet.

Source test results shall also include turbine fuel flow rate under which the test was conducted.

Source test results shall also include turbine and generator output under which the test was conducted.

[RULE 1303(a)(1)-BACT, 5-10-1996; RULE 1303(b)(2)-Offset, 5-10-1996; RULE 2005, 5-6-2005]

[Devices subject to this condition : D182, D189]

K67.1 The operator shall keep records, in a manner approved by the District, for the following parameter(s) or item(s):

FACILITY PERMIT TO OPERATE
LINN OPERATING, INC

SECTION D: FACILITY DESCRIPTION AND EQUIPMENT SPECIFIC CONDITIONS

The operator shall comply with the terms and conditions set forth below:

For architectural applications where no thinners, reducers, or other VOC containing materials are added, maintain semi-annual records for all coating consisting of (a) coating type, (b) VOC content as supplied in grams per liter (g/l) of materials for low-solids coatings, (c) VOC content as supplied in g/l of coating, less water and exempt solvent, for other coatings.

For architectural applications where thinners, reducers, or other VOC containing materials are added, maintain daily records for each coating consisting of (a) coating type, (b) VOC content as applied in grams per liter (g/l) of materials used for low-solids coatings, (c) VOC content as applied in g/l of coating, less water and exempt solvent, for other coatings.

[RULE 3004(a)(4)-Periodic Monitoring, 12-12-1997]

[Devices subject to this condition : E129]

K67.2 The operator shall keep records, in a manner approved by the District, for the following parameter(s) or item(s):

the date of operation

the elapsed time in hours

the reason for operation

[RULE 3004(a)(4)-Periodic Monitoring, 12-12-1997]

[Devices subject to this condition : D74, D75]

BEFORE THE HEARING BOARD OF THE

SOUTH COAST AIR QUALITY MANAGEMENT DISTRICT

In The Matter of: SOUTH COAST AIR QUALITY MANAGEMENT DISTRICT, Petitioner, vs. LINN OPERATING, INC. [Facility I.D. No. 151532], Respondent.	Case No. **5711-6** FINDINGS AND DECISION OF THE HEARING BOARD

FINDINGS AND DECISION OF THE HEARING BOARD

Respondent's Request for Modification of an Existing Order for Abatement with respect to the Stipulated Order for Abatement issued in this case on January 19, 2010, and modified on May 27, 2010; November 30, 2010; and February 2, 2011 was heard on **November 1, 2011,** pursuant to notice and in accordance with the provisions of California Health and Safety Code Section 40826 and District Rule 510. The following members of the Hearing Board were present: Edward Camarena, Chair; Julie Varon, Vice Chair; Patricia Byrd; M. Michael Glovsky, M.D.; and Marti L. Klein. The Executive Officer of the R. South Coast Air Quality Management District ("District") was represented by Teresa R. Barrera, Senior Deputy District Prosecutor, who did not appear. Respondent, Linn Operating, Inc. (hereinafter referred to as "Respondent" or "LINN," and formerly known as Linn Western Operating, Inc.), was represented by Ivan Tether, Attorney at Law, who did not appear. The parties filed with the Hearing Board a Joint Stipulation to Place Matter on Consent Calendar. Respondent filed with the Hearing Board the Declaration of Kelly Roberts

(Health, Safety and Environment Manager for LINN). The parties submitted proposed Findings and Decision of the Hearing Board. Upon stipulation by both parties, prior evidence and testimony from this case (#5711-6) were incorporated by reference. The public was given an opportunity to testify. Evidence was received and the matter was submitted. The Hearing Board finds and decides as follows:

FINDINGS OF FACT

1. The District is a political subdivision of the State of California created by the legislature to exercise responsibility for comprehensive air pollution control within the area of the South Coast Air Basin, with its headquarters located at 21865 Copley Drive, Diamond Bar, California 91765.

2. LINN, with a facility located at 2000 Tonner Canyon Road, Brea, CA 92821 (Facility ID No. 151532, hereinafter, "Facility"), is an oil and gas producer operator.

3. During production of oil, field gas is generated as a byproduct of the production process. District Rule 1148.1 prohibits the venting of produced field gas.

4. LINN operates the Facility under a SCAQMD RECLAIM Permit #151532 (hereinafter "Permit"). The Permit includes a gas plant, two simple-cycle gas turbines each 3.8 MW, and a 284.4 MMBtu/hr. Flare. The Facility is a Title V facility.

5. The gas plant treats field gas from LINN's production wells and from several neighboring oil and gas producers. The two 3.8 MW simple-cycle Solar Centaur gas turbines (District ID #D182 and #D189) burn the treated field gas and generate electricity which is used at the Facility and, if excess, sold to the California Independent System Operator (ISO). The Flare, RECLAIM Device C84 (with a capacity of 284.4 MMBtu/hr.) is described as an emergency flare. The Flare is used to dispose of gas which is not used by the turbines.

6. In part, as the result of the wildfire in November 2008, some of the offsite suppliers of field gas discontinued sending gas to LINN. For a period of time, LINN was able to handle its own gas and that of other neighboring fields using only one turbine. As more neighboring fields and the LINN Facility returned to production, LINN began receiving gas in excess of what one turbine could burn but not enough to operate the second turbine and LINN began flaring and is continuing

to flare the surplus gas whenever it exceeds the capacity of one turbine. This operation does not meet the definition of "gas flare," under District Rule 2012(k) and Attachment F, Definition (21).

7. District Rules 203, 2004 and 3002(c)(1) require that equipment operated under the Permit be operated in compliance with permit conditions.

8. The Permit - Section D, page 11, lists Flare C84 as: flare, emergency, process gas. Section K, page 2 – Condition 8 of the Permit states:

- The operator shall comply with all regulatory requirements and all permit terms and conditions.

9. District Rule 2012 specifies monitoring, reporting and recordkeeping requirements for NOx emission sources under the RECLAIM program:

- Section F, page 1 specifies NOx monitoring requirements.
- Section G, page 2 specifies NOx recordkeeping and reporting requirements

10. Rule 2012(k) exempts emergency flares from Rule 2012 requirements and states:

"The provisions of this rule shall not apply to gas flares."

Rule 2012 – Attachment F - definition (21) defines a gas flare as:

> "A combustion equipment used to prevent unsafe operating pressures in process units during shut downs and start-ups and to handle miscellaneous hydrocarbon leaks and process upsets."

11. Respondent indicates that, even with the additional flaring. The Facility is operating in compliance with specific permit maximum Flare usage requirements:

- Condition C1.2 - The operator shall limit the fuel usage to no more than 130.46 MM cubic feet per year.
- Condition C1.3 - The operator shall limit the fuel usage to no more than 20 MM cubic feet per month.
- Condition D12.2 – The operator shall install and maintain a flow meter to accurately indicate the flow.

12. On January 20, 2010, the Hearing Board issued an Order for Abatement ("OA") based on a stipulation by the parties and a hearing. By its Order of May 27, 2010, the Hearing Board modified the OA to: (1) change Condition 1(h) to allow LINN to retain the existing flare only for purposes consistent with the definition of "Gas Flare" in District Rule 2010, Attachment F, after 180 days from LINN's receipt of the Permit to Construct or upon operation of the new flare whichever occurs first; (2) change Condition 2 to add a new exemption from the 6 MMcf monthly

flaring limit "[i]f a breakdown reportable under District Rule 430 occurs at the LINN Facility, not to exceed 30 days; and (3) provide for notification under Conditions 2.b and 3 to District AQ Inspector Joseph Liaw. By its Order of November 30, 2010, the Hearing Board extended the termination date of the Order for Abatement to February 2, 2011. By its Order of February 2, 2011, the Hearing Board modified Conditions 1(f), 1(h), 2.c.2, 2 (first sentence), 5 and 6, and added new provisions 3 and 2.d. As modified, Condition 1(f) requires that LINN take delivery of the new flare not later than 150 business days from receipt of the Permit to Construct; Condition 1(h) requires that LINN cease all operation of the existing Flare (C84) inconsistent with the definition of "Gas Flare" in District Rule 2012, Attachment F, Definition 21, no later than 180 days from receipt of the Permit to Construct; Condition 2 requires that LINN not flare more than ten (10) MMcf/month in the existing Flare; Condition 2.c.2 extends the annual maintenance provision for increased flaring to calendar years 2010 and 2011; new Condition 2.d provides for LINN to test maximum gas production, and exceed the Order's 10 MMcf/month limit, but not the Permit's 20 MMcf/month limit, for one month, with 30 days of advance notification to the District by LINN; new Condition 3 sets forth the sequence of operation of one or both of the Turbines (D182 and D189) depending on the amount of field gas available at the facility; and Condition 6 extends the termination date of the Order for Abatement to November 16, 2011. All these conditions are set out in detail under the Order, below.

13. The District and LINN agreed that the best way for LINN to bring the Facility back into compliance was for LINN to install a new flare. The District issued a permit to construct this new Flare to LINN on February 3, 2011. The Permit – Section H, page 2, lists the new Flare C201, to be installed and placed in operation at the Facility, per the terms of the Order for Abatement, as Ground Flare, 29.2 MMBTU/HR, Auto Ignition, Zeeco, Shrouded, with Continuous Gas Pilot, Height: 48 Ft; Diameter: 8 Ft 6 In.

14. At the time that the District and LINN agreed that LINN should install a new Flare to bring the Facility into compliance, both LINN and the District assumed that the new Flare would be a RECLAIM "Major Source", subject to the Continuous Emissions Monitoring System ("CEMS") requirements of Rule 2012(c)(2)(A) or (B). Accordingly, LINN did not object when the District

sought requirements in the Order for Abatement for CEMS plan approval and installation of a CEMS on the new Flare. Those CEMS requirement were incorporated into the Order as Conditions 1(e) and 1(i) respectively (per the numbering of the March 2, 2011 Findings and Decision).

15. When LINN sized and designed the new Flare, and applied for and obtained a District Permit, it was determined that only a RECLAIM "Large Source" flare was required to meet the flaring load. District Rule 2012(f)(1) requires only that RECLAIM "Large Sources" be monitored by calculation of mass emissions based on the equipment's emission factor. Relevant provisions of the revised Permit are attached to Respondent's Request for Modification as Exhibit 2 to the Request. (See Section H, Pages 8 through 10 of the revised permit, specifying Monitoring/Testing Requirements for the new Flare.) The requirements under the District Permit to Construct are limited to installation of a totalizing fuel meter to accurately indicate the fuel usage of the flare (Condition D12.5), and conducting source tests (Conditions D28.1, D29.2, D 29.3). District Staff did not intend to impose a CEMS requirement on a RECLAIM "Large Source." Nonetheless, the CEMS provisions remained in the Order for Abatement, and this issue was brought to LINN's attention on October 12, 2011 by District Inspector Joseph Liaw as Mr. Liaw conducted the current RECLAIM audit.

16. Requested Modifications to the OA: LINN requested that the Hearing Board modify the existing February 2, 2011 Order for Abatement (Findings and Decision issued March 2, 2011) as follows: **Condition 1(e)**: LINN requested that the Board delete from the Order Condition 1(e), requiring that Respondent, "No later than 30 days after receipt of the Permit to Construct, submit to the District the CEMS Plan Application for approval." LINN, upon learning that the new Flare would be a RECLAIM "Large Source," which does not require a CEMS, assumed that the requirements of District Rule 2012 and the District Permit to Construct would govern so as to not require a CEMS for the new Flare, and did not submit a CEMS Plan Application. **Condition 1(i)**: LINN requests that the Board delete from the Order Condition 1(i), requiring that LINN, "Complete installation of the CEMS and compliance certification of the CEMS within 180 days of approval of the CEMS Plan by the District." This deadline has not passed. LINN requested that

the Hearing Board remove the requirement for installation of a CEMS on the new Flare, since the new Flare is only a "Large Source" under RECLAIM, and not required by District Rule 2012 or the District Permit to Construct to install a CEMS.

17. LINN has not received any complaints from the public regarding its Facility within the last six months. LINN has not received any Notices of Violation for the Facility since the last hearing on February 2, 2011.

18. LINN has complied with the Conditions of the existing Order for Abatement, as set out immediately below:

a. **Conditions 1(a) and 1(b):** Linn complied with these conditions related to the design of the new flare and submission of an application for a Permit to Construct.

b. **Condition 1(c):** LINN complied with Condition 1(c), "Enter into a contract for the purchase and installation of the Flare or alternative no later than 5 business days after receipt of the Permit to Construct." The contractual relationship with Zeeco, the manufacturer and vendor for the new Flare was already established at the time the Permit to Construct was issued, and the contract for manufacture of the new Flare was activated within the 5-business-day period.

c. **Condition 1(d):** LINN complied with Condition 1(d), "Commence construction of the foundations and connections for the new flare or alternative (if required by alternative) no later than 5 business days after receipt of the Permit to Construct." LINN began preparing the site for the new Flare within the 5-business-day period, and installed the foundations and connections as soon as the required permit was received from the City of Brea.

d. **Condition 1(e):** As noted in Item #5, above, LINN has not complied with Condition 1(e), requiring that, "No later than 30 days after receipt of the Permit to Construct, submit to the District the CEMS Plan Application for approval." LINN, upon learning that the new Flare would be a RECLAIM "Large Source," which does not require a CEMS, assumed that the requirements of District Rule 2012 and the District Permit to Construct would govern to not require a CEMS for the new Flare,

and did not submit a CEMS Plan Application. LINN acknowledges that it should have applied to the Hearing Board for relief from this Condition prior to the deadline in Condition 1(e), and apologizes for this inadvertent delay.

e. **Condition 1(f):** LINN compliance with this condition was 16 days late. Condition 1(f) requires LINN to: "Take delivery of the new flare or alternative control and all necessary components and commence final construction and installation no later than 150 business days after receipt of the Permit to Construct." That deadline, given the 2-3-2011 receipt of the District Permit to Construct the new Flare, was 210 Calendar days from that date, i.e. September 1, 2011. LINN took delivery of the new Flare, FOB, at the manufacturing plant on September 2, 2011, one day late. Delay from September 1, 2011 to September 2, 2011 was due to availability of the transport truck and fabrication of the "saddle" for the new Flare to sit in on the truck. Further delay in delivery of the new Flare to the Brea Facility occurred due to damage of the completed new Flare, because of an accident by the hauler as the truck was leaving the manufacturing plant. The new Flare was ultimately delivered to LINN's Brea Facility on or about September 17, 2011. This delay has not jeopardized meeting the Deadlines for installation and operation of the new Flare.

f. **Condition 1(g):** LINN anticipates early compliance with Condition 1(g), "Complete construction of the new flare or alternative (if required by alternative) no later than 60 days after delivery of the flare and its components. Perform testing as required by the Permit to Construct." The new Flare is at the Brea Facility, was delivered to the Brea Facility on or about September 17, 2011, and installation is anticipated be completed on or before October 20, 2011. LINN is now going performing the pre-startup safety review (PSSR) for the new Flare.

g. **Condition 1(h):** LINN anticipates early compliance with Condition 1(h), "No later than 280 days after receipt of the Permit to Construct or upon operation of the new flare whichever first occurs, cease any and all operation of the existing flare which

is inconsistent with the definition of 'Gas Flare,' as defined in District Rule 2012, Attachment F, i.e., '(21) GAS FLARE is a combustion equipment used to prevent unsafe operating pressures in process units during shut downs and start-ups and to handle miscellaneous hydrocarbon leaks and process upsets.'" Once the new Flare is operational, LINN can immediately rely on the new Flare for all purposes for which the existing Flare will no longer be allowed to be operated under this Condition. This deadline, given the 2-3-2011 receipt of the District Permit to Construct by LINN for the new Flare, works out to be November 10, 2011.

h. **Condition 2(a), (b) and (c):** LINN complied and continues to comply with Condition 2(a), (b) and (c), as revised February 2, 2011, requiring notification of any exceedence of the Order's monthly limit of flaring to no more than ten (10) MMCF per month within 24 hours of flaring, by making reports of any such exceedences to District Inspector Joseph Liaw. (As noted above, prior to the modification in May 2010 of Condition 2, and because of the breakdown of the compressor described above in Item #5, LINN went out of compliance with the monthly flaring limit under Condition 2 during the latter part of February 2010. The second week of February 2010, LINN experienced a breakdown of its Brea compressor, so that none of the field produced gas could be burned in either of LINN's electricity-generating turbines, and all produced gas had to be flared. This instance of non-compliance was resolved by a settlement agreement with the District, and the Hearing Board's May 26, 2010 Modification Order amended Condition 2 by adding exception (c), to respond to the possibility of such future breakdowns, i.e., "c. If a breakdown reportable under District Rule 430 occurs at the LINN Facility, not to exceed 30 days." Since May 2010, LINN has experienced two reportable breakdowns leading to flaring more than 6 MMCF at the Brea Facility. LINN reported both breakdowns to District Staff. The breakdowns were resolved within thirty (30) days, and accordingly the exceedences of the 6 MMCF monthly

flaring limit (applicable at that time) were covered by the May 26, 2010 exemption to the Order for Abatement.)

i. **Condition 3:** LINN complied and continues to comply with Condition 3: "When gas meter #4901 reaches 1.2 MMcf/day, the facility shall operate one gas turbine generator (either Devices D182 or D189 when on premises and operational) to dispose of the field gas. After that first turbine is put into operation (which will necessarily reduce the amount of gas being fed to the flare), the facility shall begin operation of its second gas turbine generator (Devices D182 or D189 when on premises and operational) to dispose of the field gas when gas meter #4901 again reaches 1.2 MMcf/day. If the second turbine shuts down automatically, it shall again be restarted when field gas measured at meter #4901 reaches 1.2 MMcf/day. Within 30 days of this Order, the facility shall install a data recording device to reflect the amounts of gas being measured on an hourly basis by gas meter #4901. These records shall be made available to the District upon request." LINN has observed this protocol in operating the turbines, although there has never been sufficient field gas available to operate the second turbine.

j. **Condition 4:** LINN complied and continues to comply with Condition 4: "LINN shall keep records of the start-up and stop time of all operation of the Flare, purpose of operation, and provide it to the District (Attn: District Inspector Joseph Liaw) upon request). LINN has kept these records.

k. **Condition 5:** LINN complied and continues to comply with Condition 5: "Notify the District (Attn: District Inspector Joseph Liaw) no later than 48 hours after Commencement of Construction of new flare or alternative and also after completion of construction of the equipment. *(January 20, 2010, modified May 5, 2010, modified February 2, 2011.)* LINN Operations provided this notification to Joseph Liaw, and Mr. Liaw has visited the Brea Facility and has observed the delivered new Flare.

l. **Condition 8:** LINN complied and continues to comply with Condition 8: "Respondent shall make its best efforts to include relevant information about this Order for Abatement (including required deadlines) and a non-performance penalty clause in its contract with Zeeco (or whatever other manufacturer may be selected and awarded the contract instead of Zeeco)." The contract provided a delivery date. Beyond this, Zeeco would not agree to a penalty clause. The guarantee for the new Flare is that it will perform as designed.

19. Accordingly, LINN has now achieved compliance with all Conditions applicable at this time, with the noted exception of Condition 1(e) regarding submittal of a CEMS Plan Application.

20. In its October 14, 2011 Request for Modification of the Order for Abatement, LINN requested the the Hearing Board modify the Order for Abatement to delete the following conditions:

a. "Condition 1(e), stating that LINN shall, 'No Later than 30 days after receipt of the Permit to Construct, submit to the District the CEMS Plan Application to the District for approval."

b. "Condition 1(i) this Condition, requiring that LINN, "Complete installation of the CEMS and compliance certification of the CEMS within 180 days of approval of the CEMS Plan by the District."

CONCLUSION

1. As stated in the Hearing Board's Order of January 20, 2010, as modified by the Hearing Board's Orders of May 27, 2010; November 30, 2010; and February 2, 2011, Respondent's operation of the existing Flare has not complied with District Rules 203, 2004, 3002 and 2010. This non-compliance continues, and unless the corrective provisions stated in the Order of January 20, 2010, as modified by the Orders of May 27, 2010; January 5, 2011; and March 2, 1011 are implemented, future noncompliance with District Rules may occur. Even so, the modification of Conditions 1(e) and 1(i) is justified.

2. This issuance of modifications to the January 20, 2010 Order for Abatement, as modified by the Hearing Board's Orders of May 27, 2010; January 5, 2011; and March 2, 2011 will not constitute a taking of property without due process of law.

3. The adoption of the conditions set forth in the January 20, 2010 Order, as modified the Hearing Board's Orders of May 27, 2010; January 5, 2011; and March 2, 2011 and as modified by the instant Order is likely to result in compliant operations at LINN.

ORDER

THEREFORE, subject to the aforesaid statements and good cause appearing, Respondent is hereby ordered to cease and desist conducting operations at the Facility which result in noncompliance with District rules, or comply with the previously existing conditions and the modified conditions, as set forth below, followed by bracketed reference to the dates of origination and/or modification:

RESTATEMENT OF CONDITIONS, AS MODIFIED

(The only modifications are deletion of Conditions 1(e) and 1(i).)

1. LINN shall comply with the following schedule in procuring and installing a compliant flare or alternative control and Continuous Emission Monitoring (CEMS) system:

(a) Complete design of the Flare or alternative control by March 1, 2010. (*January 20, 2010.*)

(b) Submit application(s) for Permit to Construct and to Modify existing Permit to Operate needed for the new Flare or alternative control by March 22, 2010, and pay fees for expedited processing. (*January 20, 2010.*)

(c) Enter into a contract for the purchase and installation of the Flare or alternative no later than 5 business days after receipt of the Permit to Construct. (*January 20, 2010.*)

(d) Commence construction of the foundations and connections for the new flare or alternative (if required by alternative) no later than 5 business days after receipt of the Permit to Construct. (*January 20, 2010.*)

(e) DELETED by this Order: ~~[No later than 30 days after receipt of the Permit to Construct, submit to the District the CEMS Plan Application for approval. (*January 20, 2010.*)]~~

(f) Take delivery of the new flare or alternative control and all necessary components and commence final construction and installation no later than 150 business days after receipt of the Permit to Construct. (*January 20, 2010, modified February 2, 2011.*)

(g) Complete construction of the new flare or alternative (if required by alternative) no later than 60 days after delivery of the flare and its components. Perform testing as required by the Permit to Construct. (*January 20, 2010.*)

(h) No later than 280 days after receipt of the Permit to Construct or upon operation of the new flare whichever first occurs, cease any and all operation of the existing flare which is inconsistent with the definition of "Gas Flare," as defined in District Rule 2012, Attachment F, i.e., "(21) GAS FLARE is a combustion equipment used to prevent unsafe operating pressures in process units during shut downs and start-ups and to handle miscellaneous hydrocarbon leaks and process upsets." (*January 20, 2010, modified May 27, 2010, modified February 2, 2011.*)

(i) DELETED by this Order: ~~[Complete installation of the CEMS and compliance certification of the CEMS within 180 days of approval of the CEMS Plan by the District. (*January 20, 2010.*)]~~

2. The facility may operate the flare (Device C84) to dispose of field gas not to exceed 10 MM dry cubic feet in a calendar month. (*January 20, 2010, modified February 2, 2011.*) However, LINN may exceed this limit (but not exceed the permitted limits of 130.46 MMcf/yr and 20 MMcf/month) during the following:

(a) If a breakdown reportable under District Rule 430 occurs at the LINN Facility, not to exceed 30 days (*May 27, 2010*); or

(b) If a significant breakdown or upset at the BreitBurn facility (Hole Lease, not to exceed 30 days (*January 20, 2010*); or

(c) Maintenance at the LINN facility:

1. Not to exceed 14 hours to repair the Stearns main gas compressor (*January 20, 2010*);

2. Not to exceed 30 hours for miscellaneous annual maintenance for each of calendar years 2010 and 2011 (*January 20, 2010, modified February 2, 2011*); or

(d) Upon a 30-day advanced written notification to AQMD (ATTN: Joseph Liaw) and with AQMD's concurrence, the facility may designate one calendar month that the facility may be exempted from the 10 MM dry cubic feet monthly limit. During this calendar month the facility is subject to the Condition 3, but not Condition 2, first sentence. During this exemption period, the facility shall continue to comply with the 20 MM dry cubic feet monthly limit in its existing permit to operate. *(February 2, 2011)*

LINN shall notify District Inspector Joseph Liaw by email and phone within 24 hours of commencement of the flaring as provided in Condition 2(a), 2(b), 2(c) and 2(d). (*January 20, 2010; modified May 27, 2010, modified February 2, 2011.*)

3. When gas meter #4901 reaches 1.2 MMcf/day, the facility shall operate one gas turbine generator (either Devices D182 or D189 when on premises and operational) to dispose of the field gas. After that first turbine is put into operation (which will necessarily reduce the amount of gas being fed to the flare), the facility shall begin operation of its second gas turbine generator (Devices D182 or D189 when on premises and operational) to dispose of the field gas when gas meter #4901 again reaches 1.2 MMcf/day. If the second turbine shuts down automatically, it shall again be restarted when field gas measured at meter #4901 reaches 1.2 MMcf/day. Within 30 days of this Order, the facility shall install a data recording device to reflect the amounts of gas being measured on an hourly basis by gas meter #4901. These records shall be made available to the District upon request. *(February 2, 2011.)*

4. LINN shall keep records of the start-up and stop time of all operation of the Flare, purpose of operation, and provide it to the District (Attn: District Inspector Joseph Liaw) upon request). *(January 20, 2010, modified May 5, 2010, modified February 2, 2011)*

5. Notify the District (Attn: District Inspector Joseph Liaw) no later than 48 hours after Commencement of Construction of new flare or alternative and also after completion of construction of the equipment. *(January 20, 2010, modified May 5, 2010, modified February 2, 2011.)*

6. This Order for Abatement shall be terminated as of November 16, 2011 unless a different termination date is set at a subsequent hearing. *(January 20, 2010, modified November 30, 2010, modified February 2, 2011)*

7. The Hearing Board shall retain jurisdiction over this matter until November 16, 2011 unless a different date is set at a subsequent hearing. *(January 20, 2010, modified February 2, 2011.)*

8. Respondent shall make its best efforts to include relevant information about this Order for Abatement (including required deadlines) and a non-performance penalty clause in its contract with Zeeco (or whatever other manufacturer may be selected and awarded the contract instead of Zeeco). *(February 2, 2011.)*

9. The Hearing Board may modify the Order for Abatement after a showing of good cause (and upon Stipulation of the Parties), therefore, and upon making the findings required by Health and Safety Code Section 42451(a) and District Rule 806(a). Any modification of the Order shall be made only at a public hearing upon ten (10) days published notice and appropriate written notice to Respondent. *(January 20, 2010.)*

10. This Order for Abatement is not and does not act as a variance and LINN is subject to all rules and regulations of the District, and with all applicable provisions of California law. Nothing herein shall be deemed or construed to limit the authority of the District to issue Notices of Violation, or to seek civil penalties, criminal penalties, or injunction relief, or to seek further orders for abatement, or other administrative or legal relief. *(January 20, 2010.)*

11. Respondent shall notify the Clerk of the Board in writing when final compliance is achieved. *(January 20, 2010.)*

BOARD MEMBER: Edward Camarena

Edward Camarena, Chair

DATED: 11/16/11

Prepared by Ivan Tether
and Reviewed by Teresa R. Barrera

FACILITY PERMIT TO OPERATE
LINN OPERATING, INC

SECTION H: PERMIT TO CONSTRUCT AND TEMPORARY PERMIT TO OPERATE

The operator shall comply with the terms and conditions set forth below:

Equipment	ID No.	Connected To	RECLAIM Source Type/ Monitoring Unit	Emissions* And Requirements	Conditions
Process 5: FLARE SYSTEM					
FLARE, GROUND FLARE, 29.2 MMBTU/HR, AUTO IGNITION, ZEECO, SHROUDED, WITH CONTINUOUS GAS PILOT, HEIGHT: 48 FT ; DIAMETER: 8 FT 6 IN A/N: 509255 Permit to Construct Issued: 09/16/11	C201		NOX: LARGE SOURCE**	**CO**: 0.39 LBS/MMBTU FIELD GAS (4) **[RULE 1703 - PSD Analysis, 10-7-1988]**; **CO**: 2000 PPMV (5) **[RULE 407, 4-2-1982]**; **NOX**: 0.06 LBS/MMBTU FIELD GAS (4) **[RULE 2005, 5-6-2005]**; **NOX**: 59.3 PPMV FIELD GAS (3) **[RULE 2012, 5-6-2005]**; **PM10**: 0.59 LBS/HR FIELD GAS (4) **[RULE 1303(a)(1)-BACT, 5-10-1996;** *RULE 1303(a)(1) -BACT, 12-6-2002;* **RULE 1303(b)(2)-Offset, 5-10-1996;** *RULE 1303(b)(2)-Offset, 12-6-2002*]; **VOC**: 0.068 LBS/MMBTU FIELD GAS (4) **[RULE 1303(a)(1)-BACT, 5-10-1996;** *RULE 1303(a)(1) -BACT, 12-6-2002;* **RULE 1303(b)(2)-Offset, 5-10-1996;** *RULE 1303(b)(2)-Offset, 12-6-2002*]	C1.4, D12.5, D29.2, D29.3, I1.2, I296.1, K40.2

* (1) (1A) (1B) Denotes RECLAIM emission factor
(2) (2A) (2B) Denotes RECLAIM emission rate
(3) Denotes RECLAIM concentration limit
(4) Denotes BACT emission limit
(5) (5A) (5B) Denotes command and control emission limit
(6) Denotes air toxic control rule limit
(7) Denotes NSR applicability limit
(8) (8A) (8B) Denotes 40 CFR limit (e.g. NSPS, NESHAPS, etc.)
(9) See App B for Emission Limits
(10) See section J for NESHAP/MACT requirements

** Refer to section F and G of this permit to determine the monitoring, recordkeeping and reporting requirements for this device.

FACILITY PERMIT TO OPERATE
LINN OPERATING, INC

SECTION H: PERMIT TO CONSTRUCT AND TEMPORARY PERMIT TO OPERATE

The operator shall comply with the terms and conditions set forth below:

Equipment	ID No.	Connected To	RECLAIM Source Type/ Monitoring Unit	Emissions* And Requirements	Conditions
Process 5: FLARE SYSTEM					
FLARE, GROUND FLARE, 27 MMBTU/HR, FIELD GAS, FLARE INDUSTRIES, MODEL CEB 800, SHROUDED, SMOKELESS, WITH CONTINUOUS GAS PILOT, WIDTH: 7 FT 9 IN; HEIGHT: 24 FT ; LENGTH: 7 FT 9 IN A/N: 538706 Permit to Construct Issued: 01/08/13	C202		NOX: LARGE SOURCE**	**CO**: 10 PPMV FIELD GAS (4) **[RULE 1303(a)(1)-BACT, 5-10-1996;** *RULE 1303(a)(1) -BACT, 12-6-2002;* **RULE 1303(b)(2)-Offset, 5-10-1996;** *RULE 1303(b)(2)-Offset, 12-6-2002*]; **CO**: 2000 PPMV (5) **[RULE 407, 4-2-1982]**; **NOX**: 0.023 LBS/MMBTU FIELD GAS (1) **[RULE 2012, 5-6-2005]**; **NOX**: 15 PPMV FIELD GAS (4) **[RULE 2005, 6-3-2011]**; **VOC**: 10 PPMV FIELD GAS (4) **[RULE 1303(a)(1)-BACT, 5-10-1996;** *RULE 1303(a)(1)-BACT, 12-6-2002;* **RULE 1303(b)(2) -Offset, 5-10-1996;** *RULE 1303(b)(2)-Offset, 12-6-2002*]	D12.5, D12.6, D29.4, D29.5, D29.6, K40.2

* (1) (1A) (1B) Denotes RECLAIM emission factor
(2) (2A) (2B) Denotes RECLAIM emission rate
(3) Denotes RECLAIM concentration limit
(4) Denotes BACT emission limit
(5) (5A) (5B) Denotes command and control emission limit
(6) Denotes air toxic control rule limit
(7) Denotes NSR applicability limit
(8) (8A) (8B) Denotes 40 CFR limit (e.g. NSPS, NESHAPS, etc.)
(9) See App B for Emission Limits
(10) See section J for NESHAP/MACT requirements

** Refer to section F and G of this permit to determine the monitoring, recordkeeping and reporting requirements for this device.

FACILITY PERMIT TO OPERATE
LINN OPERATING, INC

SECTION H: DEVICE ID INDEX

The following sub-section provides an index to the devices that make up the facility description sorted by device ID.

FACILITY PERMIT TO OPERATE
LINN OPERATING, INC

SECTION H: DEVICE ID INDEX

Device Index For Section H			
Device ID	Section H Page No.	Process	System
C201	1	5	0
C202	2	5	0

FACILITY PERMIT TO OPERATE
LINN OPERATING, INC

SECTION H: PERMIT TO CONSTRUCT AND TEMPORARY PERMIT TO OPERATE

The operator shall comply with the terms and conditions set forth below:

FACILITY CONDITIONS

F2.1 The operator shall limit emissions from this facility as follows:

CONTAMINANT	EMISSIONS LIMIT
Sulfur compounds	Less than or equal to 5 LBS PER DAY

For the purpose of this condition, the sulfur compound emission limit shall be verified through monthly gas analysis of sulfur content using District Method 307-91. The operator shall calculate the daily sulfur emissions by multiplying the results of the monthly gas analysis in ppm as H2S by 0.0899 and by the fuel use in mmscf/day. The operator shall keep records of the monthly gas analysis and daily records of the fuel gas usage for a minimum of five years.

[**RULE 431.1, 6-12-1998**]

F9.1 Except for open abrasive blasting operations, the operator shall not discharge into the atmosphere from any single source of emissions whatsoever any air contaminant for a period or periods aggregating more than three minutes in any one hour which is:

(a) As dark or darker in shade as that designated No.1 on the Ringelmann Chart, as published by the United States Bureau of Mines; or

(b) Of such opacity as to obscure an observer's view to a degree equal to or greater than does smoke described in subparagraph (a) of this condition.

[**RULE 401, 3-2-1984;** RULE 401, 11-9-2001]

F14.1 The operator shall not burn fuel oil containing sulfur compounds in excess of 0.05 percent by weight.

[**RULE 431.2, 5-4-1990;** RULE 431.2, 9-15-2000]

F14.2 The operator shall not purchase diesel fuel containing sulfur compounds in excess of 15 ppm by weight as supplied by the supplier.

FACILITY PERMIT TO OPERATE
LINN OPERATING, INC

SECTION H: PERMIT TO CONSTRUCT AND TEMPORARY PERMIT TO OPERATE

The operator shall comply with the terms and conditions set forth below:

This condition shall become effective on or after June 1, 2004.

[RULE 431.2, 5-4-1990; RULE 431.2, 9-15-2000]

PROCESS CONDITIONS

P13.1 All devices under this process are subject to the applicable requirements of the following rules or regulations:

Contaminant	Rule	Rule/Subpart
Total Reduced Sulfur	40CFR60, SUBPART	LLL

[40CFR 60 Subpart LLL, 10-3-1986]

[Processes subject to this condition : 2]

DEVICE CONDITIONS

C. Throughput or Operating Parameter Limits

C1.4 The operator shall limit the fuel usage to no more than 11.55 MM cubic feet per month.

[RULE 1303(b)(2)-Offset, 5-10-1996; RULE 1303(b)(2)-Offset, 12-6-2002]

[Devices subject to this condition : C201]

D. Monitoring/Testing Requirements

D12.5 The operator shall install and maintain a(n) non-resettable totalizing fuel meter to accurately indicate the fuel usage of the flare.

FACILITY PERMIT TO OPERATE
LINN OPERATING, INC

SECTION H: PERMIT TO CONSTRUCT AND TEMPORARY PERMIT TO OPERATE

The operator shall comply with the terms and conditions set forth below:

[**RULE 1303(b)(2)-Offset, 5-10-1996;** RULE 1303(b)(2)-Offset, 12-6-2002; **RULE 2012, 5-6-2005**]

[Devices subject to this condition : C201, C202]

D12.6 The operator shall install and maintain a(n) temperature gauge to accurately indicate the temperature of the combustion chamber.

The combustion temperature of the flare shall be maintained between 1800 and 2300 degrees Fahrenheit when this equipment is in operation.

[**RULE 1303(b)(2)-Offset, 5-10-1996;** RULE 1303(b)(2)-Offset, 12-6-2002; **RULE 2012, 5-6-2005**]

[Devices subject to this condition : C202]

D29.2 The operator shall conduct source test(s) for the pollutant(s) identified below.

Pollutant(s) to be tested	Required Test Method(s)	Averaging Time	Test Location
NOX emissions	District method 100.1	1 hour	Outlet
CO emissions	District method 100.1	1 hour	Outlet
VOC emissions	Approved District method	1 hour	Outlet
PM emissions	Approved District method	District-approved averaging time	Outlet

FACILITY PERMIT TO OPERATE
LINN OPERATING, INC

SECTION H: PERMIT TO CONSTRUCT AND TEMPORARY PERMIT TO OPERATE

The operator shall comply with the terms and conditions set forth below:

The test shall be conducted after District approval of the source test protocol, but no later than 180 days after initial start-up. The District shall be notified of the date and time of the test at least 10 days prior to the test.

The test shall be conducted to determine the oxygen levels in the exhaust. In addition, the tests shall measure the fuel flow rate (CFH) and the flue gas flow rate.

The test shall be conducted in accordance with a District approved source test protocol. The protocol shall be submitted to the AQMD engineer no later than 45 days before the proposed test date and shall be approved by the District before the test commences. The test protocol shall include the proposed operating conditions during the tests, the identity of the testing lab, a statement from the testing lab certifying that it meets the criteria of Rule 304, and a description of all sampling and analytical procedures.

The test shall be conducted when this equipment is operating at loads of 100, 75 and 50 percent of the maximum load.

[RULE 1303(a)(1)-BACT, 5-10-1996; RULE 1303(a)(1)-BACT, 12-6-2002; **RULE 1303(b)(2)-Offset, 5-10-1996;** RULE 1303(b)(2)-Offset, 12-6-2002; **RULE 1703 - PSD Analysis, 10-7-1988; RULE 2005, 5-6-2005]**

[Devices subject to this condition : C201]

D29.3 The operator shall conduct source test(s) for the pollutant(s) identified below.

Pollutant(s) to be tested	Required Test Method(s)	Averaging Time	Test Location
NOX emissions	District method 100.1	1 hour	Outlet
CO emissions	District method 100.1	1 hour	Outlet
VOC emissions	Approved District method	1 hour	Outlet
PM emissions	Approved District method	District-approved averaging time	Outlet

FACILITY PERMIT TO OPERATE
LINN OPERATING, INC

SECTION H: PERMIT TO CONSTRUCT AND TEMPORARY PERMIT TO OPERATE

The operator shall comply with the terms and conditions set forth below:

The test(s) for NOx emissions shall be conducted at least once every three years.

The test(s) for CO, VOC and PM emissions shall be conducted at least once every five years.

The test shall be conducted and the results submitted to the District within 60 days after the test date. The AQMD shall be notified of the date and time of the test at least 10 days prior to the test.

The test shall be conducted when this equipment is operating at the maximum load.

The test shall be conducted in accordance with a District approved source test protocol.

[RULE 1303(a)(1)-BACT, 5-10-1996; RULE 1303(a)(1)-BACT, 12-6-2002; **RULE 1303(b)(2)-Offset, 5-10-1996;** RULE 1303(b)(2)-Offset, 12-6-2002; **RULE 1703 - PSD Analysis, 10-7-1988; RULE 2005, 5-6-2005]**

[Devices subject to this condition : C201]

D29.4 The operator shall conduct source test(s) for the pollutant(s) identified below.

Pollutant(s) to be tested	Required Test Method(s)	Averaging Time	Test Location
NOX emissions	District method 100.1	1 hour	Outlet
CO emissions	District method 100.1	1 hour	Outlet
VOC emissions	Approved District method	1 hour	Outlet

FACILITY PERMIT TO OPERATE
LINN OPERATING, INC

SECTION H: PERMIT TO CONSTRUCT AND TEMPORARY PERMIT TO OPERATE

The operator shall comply with the terms and conditions set forth below:

The test shall be conducted after District approval of the source test protocol, but no later than 180 days after initial start-up. The District shall be notified of the date and time of the test at least 10 days prior to the test.

The test shall be conducted to determine the oxygen levels in the exhaust. In addition, the tests shall measure the fuel flow rate (CFH) and the flue gas flow rate.

The test shall be conducted in accordance with a District approved source test protocol. The protocol shall be submitted to the AQMD engineer no later than 45 days before the proposed test date and shall be approved by the District before the test commences. The test protocol shall include the proposed operating conditions during the tests, the identity of the testing lab, a statement from the testing lab certifying that it meets the criteria of Rule 304, and a description of all sampling and analytical procedures.

The test shall be conducted when this equipment is operating at loads of 100, 75 and 50 percent of the maximum load.

[**RULE 1303(a)(1)-BACT, 5-10-1996;** RULE 1303(a)(1)-BACT, 12-6-2002; **RULE 1303(b)(2)-Offset, 5-10-1996;** RULE 1303(b)(2)-Offset, 12-6-2002; **RULE 2012, 5-6-2005**]

[Devices subject to this condition : C202]

D29.5 The operator shall conduct source test(s) for the pollutant(s) identified below.

Pollutant(s) to be tested	Required Test Method(s)	Averaging Time	Test Location
NOX emissions	District method 100.1	1 hour	Outlet

FACILITY PERMIT TO OPERATE
LINN OPERATING, INC

SECTION H: PERMIT TO CONSTRUCT AND TEMPORARY PERMIT TO OPERATE

The operator shall comply with the terms and conditions set forth below:

The test(s) shall be conducted at least once every three years.

The test shall be conducted and the results submitted to the District within 60 days after the test date. The AQMD shall be notified of the date and time of the test at least 10 days prior to the test.

The test shall be conducted when this equipment is operating at the maximum load.

The test shall be conducted in accordance with a District approved source test protocol.

[**RULE 1303(a)(1)-BACT, 5-10-1996;** RULE 1303(a)(1)-BACT, 12-6-2002; **RULE 1303(b)(2)-Offset, 5-10-1996;** RULE 1303(b)(2)-Offset, 12-6-2002; **RULE 2012, 5-6-2005**]

[Devices subject to this condition : C202]

D29.6 The operator shall conduct source test(s) for the pollutant(s) identified below.

Pollutant(s) to be tested	Required Test Method(s)	Averaging Time	Test Location
NOX emissions	District method 100.1	1 hour	Outlet
VOC emissions	Approved District method	1 hour	Outlet
PM emissions	Approved District method	District-approved averaging time	Outlet

FACILITY PERMIT TO OPERATE
LINN OPERATING, INC

SECTION H: PERMIT TO CONSTRUCT AND TEMPORARY PERMIT TO OPERATE

The operator shall comply with the terms and conditions set forth below:

The test(s) shall be conducted at least once every five years.

The test shall be conducted and the results submitted to the District within 60 days after the test date. The AQMD shall be notified of the date and time of the test at least 10 days prior to the test.

The test shall be conducted when this equipment is operating at the maximum load.

The test shall be conducted in accordance with a District approved source test protocol.

[RULE 1303(a)(1)-BACT, 5-10-1996; RULE 1303(a)(1)-BACT, 12-6-2002; **RULE 1303(b)(2)-Offset, 5-10-1996;** RULE 1303(b)(2)-Offset, 12-6-2002; **RULE 2012, 5-6-2005]**

[Devices subject to this condition : C202]

I. Administrative

I1.2 The operator shall comply with all the requirements of Variance Case No. 5711-8, dated June 26, 2012 in accordance with the Order and Decision of the Hearing Board or as subsequently modified by the Hearing Board. The operator shall submit progress reports at least semi-annually, or more frequently if specified in the Order and Decision. The progress reports shall contain dates for achieving activities, milestones or compliance required in the schedule of compliance and dates when such activities, milestones or compliance were achieved; and an explanation of why any dates in the schedule of compliance were not, or will not be met, and any preventative or corrective measures adopted.

[RULE 3004(a)(10)(C), 12-12-1997]

[Devices subject to this condition : C201]

FACILITY PERMIT TO OPERATE
LINN OPERATING, INC

SECTION H: PERMIT TO CONSTRUCT AND TEMPORARY PERMIT TO OPERATE

The operator shall comply with the terms and conditions set forth below:

I296.1 This equipment shall not be operated unless the operator demonstrates to the Executive Officer that the facility holds sufficient RTCs to offset the annual emissions increase for the first 12 months of operation. In addition, this equipment shall not be operated unless the operator demonstrates to the Executive Officer that, at the commencement of each compliance year after the start of operation, the facility holds sufficient RTCs in an amount equal to the annual emissions increase.

To comply with this condition, the operator shall prior to the 1st compliance year hold a minimum NOx RTCs of 8,316 lbs.

[**RULE 2005, 5-6-2005**]

[Devices subject to this condition : C201]

K. Record Keeping/Reporting

K40.2 The operator shall provide to the District a source test report in accordance with the following specifications:

Source test results shall be submitted to the District no later than 60 days after the source test was conducted.

Emission data shall be expressed in terms of lbs/MMBtu and lbs/hr.

Source test results shall include fuel flow rate under which the test was conducted.

All exhaust flow rates shall be expressed in terms of dry standard cubic feet per minute (DSCFM) and dry actual cubic feet per minute (DACFM).

[**RULE 1303(a)(1)-BACT, 5-10-1996;** RULE 1303(a)(1)-BACT, 12-6-2002; **RULE 1303(b)(2)-Offset, 5-10-1996;** RULE 1303(b)(2)-Offset, 12-6-2002; **RULE 2005, 5-6-2005**]

[Devices subject to this condition : C201, C202]

BEFORE THE HEARING BOARD OF THE

SOUTH COAST AIR QUALITY MANAGEMENT DISTRICT

In the Matter of	)	**Case No. 5711-8**
	)	
LINN OPERATING, INC.	)	
	)	
Order Granting a Regular Variance	)	
	)	
	)	
Section 42350 of the California Health and Safety Code	)	
	)	

FINDINGS AND DECISION OF THE HEARING BOARD

This petition for a regular variance was heard on June 12, 2012, pursuant to notice in accordance with the provisions of California Health and Safety Code Section 40826. Five members of the Hearing Board were present: Edward Camarena, Chair; Julie Varon, Vice Chair; Patricia Byrd, M. Michael Glovsky, M.D. and Marti L. Klein. Petitioner was represented by Ivan Tether, Attorney at Law. Respondent, Executive Officer, was represented by, Jeri Voge, Senior Deputy District Prosecutor. The public was given the opportunity to testify. Evidence was received, and the case submitted. The Hearing Board finds and decides as follows:

Nature of Business and Location of Facility

Petitioner produces oil and gas at its facility located at 2000 Tonner Canyon Road, Brea, California, 92821.

Equipment and Permit to Construct/Operate

The equipment that is the subject of this petition concerns Zeeco Flare, C201 and is operated pursuant to Facility Permit to Operate (P/O) No. 151532.

The flare is used to handle excess non-emergency gases that are produced by petitioner's oil and gas operations and cannot be combusted in the gas turbines. The flare is a necessary part of petitioner's operation.

SUMMARY

Petitioner is in violation of District Rules 203(b), 2004(f)(1) and 3002(c)(1)[from the mass emissions and concentration limits for Oxides of Nitrogen (NO_X) and mass emissions limits for Carbon Monoxide (CO) in Section H of Facility P/O No. 151532] for a flare and intends on achieving compliance by replacing Zeeco flare C201 with a Bekaert CFB 800) and five microturbines.

FINDINGS OF FACT AND CONCLUSIONS

Following are the facts and conclusions supporting the findings set forth in Health and Safety Code Section 42352 necessary to grant the variance. The Executive Officer did not oppose the granting of the variance.

a. The petitioner for a variance is, or will be, in violation of Section 41701 or of any rule, regulation, or order of the District.

1. Petitioner is in violation of the following rules and permit conditions because:

(a) Petitioner's use of flare C201 for excess non-emergency gas is in violation of the mass emissions and concentration limits for NO_X and mass emission limits for CO in Section H of Facility P/O No. 151532.

b(1). Non-compliance with District Rule(s) is due to conditions beyond the reasonable control of the petitioner.

1. On May 3, 2012, petitioner was granted a short variance from District Rules 203(b), 2004(f)(1) and 3002(c)(1)[from the mass emissions and concentration limits for NO_X and mass emissions limits for CO in Section H of Facility P/O No. 151532] for a flare C201 to allow time for petitioner to find an remedy for the flare malfunction or install a replacement flare that complies with District rules and regulations. The variance specified a final compliance date of June 12, 2012. (Reference is made to the Findings and Decision of the Hearing Board dated May 30, 2012.)

2. Petitioner is unable to meet the requirements of the previously granted variance because although petitioner has selected a replacement flare, petitioner needs time to: (i) complete the engineering drawings for the new Bekaert flare, (ii) obtain a District P/O for the flare, (iii) have the flare manufactured and shipped from France; and (iv) install and test the flare.

3. In addition, petitioner is also installing five micro turbines to combust the gas. Although petitioner has California Air Resources Board (CARB) permits for the installation of the microturbines, the turbines will not be delivered to petitioner until mid October 2012.

4. Petitioner has submitted an application to the California Department of Oil and Gas to inject gas back into the field. However, the permit takes several weeks to process and petitioner has no guarantee that the State will grant petitioner's request.

5. Petitioner has worked diligently with the Zeeco flare manufacturer to modify the Zeeco flare. The Zeeco flare tips have been replaced to lower the emissions and comply with the emission limits in its P/O; however, this was unsuccessful.

6. Petitioner could not have predicted the Zeeco flare would fail to meet the emissions limits in petitioner's P/O because the manufacturer gave petitioner a contractual guarantee that the flare would meet those emissions limits.

7. Petitioner has no alternative but to continue operating the Zeeco flare to eliminate field gas whenever necessary until the new flare and microturbines can be installed and operational.

8. Petitioner can reasonably be expected to achieve compliance on or before April 15, 2013.

b(2). Requiring compliance would result in either (1) an arbitrary or unreasonable taking of property, or (2) the practical closing and elimination of a lawful business.

1. Denial of the variance would cause economic harm to petitioner if petitioner had to shut down the Zeeco flare until the new flare and micro turbines are installed resulting in: (i) a loss in production of 200 barrels per day at $20,000 per day; (ii) a breach of contractual obligations; and (iii) the layoff of employees.

c. The closing or taking would be without a corresponding benefit in reducing air contaminants.

1. Petitioner estimates the excess emissions of NO_X and CO are as follows:

a. The Zeeco flare in operation at 8.84 MMSCF without the microturbines in operation is 9.34 pounds per day of NO_X and 397.91 pounds of CO;

b. The Zeeco flare and five microturbines in operation at a total of 9.8 MMSCF are 10.7 pounds per day of NO_X and 456.1 pounds per day of CO; and

c. The Zeeco flare and five microturbines in operation at 11.55 MMSCF are 12.62 pounds per day of NO_X and 537.52 pounds per day of CO.

2. The field continues to produce gas which petitioner cannot stop. For safety reasons petitioner must dispose of the extra gas through the Zeeco flare until the new Bekaert flare and five micro turbines are installed and in operation. Therefore, the Board concluded that the harm to petitioner would outweigh the benefit to air quality if the variance were to be denied.

d. The petitioner for the variance has given consideration to curtailing operations of the source in lieu of obtaining a variance.

1. Petitioner has considered curtailment in lieu of obtaining a variance; however, curtailment will not obviate the need for a variance because the field will continue to produce gas and the gas must be disposed of. No other options are available because petitioner cannot walk away from the field and allow the gas to build up.

e. During the period the variance is in effect, the petitioner will reduce excess emissions to the maximum extent feasible.

1. Petitioner has agreed to comply with the conditions set forth in this variance order.

f. During the period the variance is in effect, the petitioner will monitor or otherwise quantify emission levels from the source, if requested to do so by the District, and report these emission levels to the District pursuant to a schedule established by the District.

1. Petitioner has agreed to comply with the conditions set forth in this variance order.

ORDER

THEREFORE, good cause appearing, the Hearing Board orders as follows:

A. Petitioner is granted a regular variance from District Rules 203(b), 2004(f)(1) and 3002(c)(1)[from the mass emissions and concentration limits for NO_X and mass emissions limits for CO in Section H of Facility P/O No. 151532] for a flare for the period commencing June 12, 2012 and continuing through April 15, 2013, the final compliance date.

B. The variance granted herein is subject to the following conditions:

1. Petitioner shall maximize the amount of gas combusted in the two turbines (D182 and/orD189), the two (2) small process heaters (identified, respectively, as the "Brea Canyon Tonner Heater" and the hot glycol heater (D86), and the five (5) capstone C65 microturbines to minimize the amount of excess gas combusted in the Zeeco flare.

2. Petitioner shall monitor gas usage in the Zeeco flare and make that information available to the District upon request.

3. Petitioner shall finalize purchase of the replacement flare (Bekaert CFB 800) by July 10, 2012.

4. Petitioner shall install and commence operation of the replacement flare, and permanently remove the Zeeco flare from operation, on or before April 15, 2013.

5. Petitioner shall install and commence operation of five (5) Capstone C65 microturbines on or before October 16, 2012.

6. Petitioner shall notify the District (Attn: Maria Vibal, mvibal@aqmdf.gov, and by calling 1-800-CUT-SMOG) when (a) the five (5) microturbines commence operation; (b) upon commencement of the drilling of new wells; and (c) when the Bekaert flare commences operation.

7. Petitioner shall limit the amount of gas combusted in the Zeeco flare to 8.84 Million Standard Cubic Feet per Day (MMSCF) per month at all times. When the five (5) microturbines commence operation, petitioner shall limit the total amount of gas combusted in the Zeeco flare and five (5) microturbines to 9.8 MMSCF per month.

Commencing with the drilling of new wells in 2013, petitioner shall limit the total amount of gas combusted in the Zeeco flare and five (5) microturbines to 11.55 MMSCF per month.

8. Petitioner shall not begin drilling new wells until January 1, 2013.

9. Petitioner shall take monthly gas samples for analysis and make the laboratory results available to the District upon request.

10. Petitioner shall notify the Clerk of the Board in writing when final compliance is achieved.

11. Petitioner shall pay all applicable excess emission fees to the Clerk of the Board on a monthly basis within fifteen (15) days following the end of each calendar month, commencing July 15, 2012, or the variance will be invalidated pursuant to Rule 303(k).

FOR THE BOARD: _____
Marti L. Klein

DATE SIGNED: June 26, 2012

I VOTE NO: _____
Julie Varon, Vice Chair

DATE SIGNED: June 27, 2012

PAW

FACILITY PERMIT TO OPERATE
LINN OPERATING, INC

APPENDIX A: NOX AND SOX EMITTING EQUIPMENT EXEMPT FROM WRITTEN PERMIT PURSUANT TO RULE 219

1. MICRO-TURBINES, FIELD GAS
2. I.C. ENGINES, DIESEL