



Proposed Part 70 Minor Revision 12599  
and  
Permit to Operate 12599

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EQUIPMENT OWNER/OPERATOR:

E & B Natural Resources

300500

EQUIPMENT LOCATION:

Gas Plant 10, South Cuyama, California

STATIONARY SOURCE/FACILITY:

E & B - South Cuyama  
Gas Plant 10

SSID: 01073

FID: 03202

EQUIPMENT DESCRIPTION:

A replacement vapor recovery compressor as listed in the table at the end of this permit.

PROJECT/PROCESS DESCRIPTION:

Gas Plant 10 serves E&B's South Cuyama Unit oilfield. The plant removes hydrogen sulfide, carbon dioxide, water, and liquid hydrocarbons from the produced gas stream and provides dry natural gas. The dry gas stream is used as fuel, re-injected, and/or sold. The natural gas liquids (NGLs) are piped to Tank Battery #6 and blended with the produced oil. During emergencies, gas can be re-injected or flared.

The 3 hp vapor recovery compressor that serves the glycol reboiler and the amine reboiler has been replaced with a 10 hp vapor recovery compressor.

Also the following section of Part-70/PTO 9136-R5 issued June 2, 2008 for Gas Plant 10 has been updated:

**4.5 Vapor Recovery/Control Systems**

The vapor recovery system includes all piping, valves, and flanges associated with the vapor recovery system. Vapors from the glycol reboiler and the amine reboiler are routed back to field fuel.

CONDITIONS:

**9.A Standard Administrative Conditions**

The following federally-enforceable administrative permit conditions apply to Gas Plant 10:

**A.1 Compliance with Permit Conditions:**

- (a) The permittee shall comply with all permit conditions in Sections 9.A, 9.B and C.
- (b) This permit does not convey property rights or exclusive privilege of any sort.
- (c) Non-compliance with any permit condition is grounds for permit termination, revocation and re-issuance, modification, enforcement action, or denial of permit renewal. Any permit non-compliance constitutes a violation of the Clean Air Act and its implementing regulations or of APCD Rules or of both, as applicable.
- (d) The permittee shall not use the "need to halt or reduce a permitted activity in order to maintain compliance" as a defense for noncompliance with any permit condition.
- (e) A pending permit action or notification of anticipated noncompliance does not stay any permit condition.
- (f) Within a reasonable time period, the permittee shall furnish any information requested by the Control Officer, in writing, for the purpose of determining:
  - (i) compliance with the permit, or
  - (ii) whether or not cause exists to modify, revoke and reissue, or terminate a permit or for an enforcement action.

[*Re: 40 CFR Part 70.5.(a)(6)(iii), APCD Rules 1303.D.1.j, 1303.D.1.n, 1303.D.1.l, 1303.D.1.k, 1303.D.1.o*]

**A.2 Emergency Provisions:** The permittee shall comply with the requirements of the APCD, Rule 505 (Upset/Breakdown rule) and/or APCD Rule 1303.F, whichever is applicable to the emergency situation. In order to maintain an affirmative defense under Rule 1303.F, the permittee shall provide the APCD, in writing, a "notice of emergency" within 2 days of the emergency. The "notice of emergency" shall contain the information/documentation listed in Sections (1) through (5) of Rule 1303.F. [*Re: 40 CFR 70.6(g), APCD Rule 1303.F* ]

**A.3 Compliance Plan:**

- (a) The permittee shall comply with all federally-enforceable requirements that become applicable during the permit term, in a timely manner.
- (b) For all applicable equipment, the permittee shall implement and comply with any specific compliance plan required under any federally-enforceable rules or standards.

[Re: APCD Rule 1302.D.2]

- A.4 **Right of Entry:** The Regional Administrator of USEPA, the Control Officer, or their authorized representatives, upon the presentation of credentials, shall be permitted to enter upon the premises where a Part 70 Source is located or where records must be kept:
- (a) To inspect at reasonable times the stationary source, including monitoring and control equipment, work practices, operations, and emission-related activity;
  - (b) To inspect and duplicate, at reasonable times, records required by this Permit to Operate;
  - (c) To sample substances or monitor emissions from the source or assess other parameters to assure compliance with the permit or applicable requirements, at reasonable times.

[Re: APCD Rule 1303.D.2.a]

- A.5 **Severability:** The provisions of this Permit to Operate are severable and if any provision of this Permit to Operate is held invalid, the remainder of this Permit to Operate shall not be affected thereby. [Re: APCD Rules 103, 1303.D.1.i]
- A.6 **Payment of Fees:** The permittee shall reimburse the APCD for all its Part 70 permit processing and compliance monitoring expenses for the stationary source on a timely basis. Failure to reimburse on a timely basis shall be a violation of this permit and of applicable requirements and can result in forfeiture of the Part 70 permit. Operation without a Part 70 permit subjects the source to potential enforcement action by the APCD and the USEPA pursuant to section 502(a) of the Clean Air Act. [Re: APCD Rules 1303.D.1.p, 1304.D.11 and 40 CFR 70.6(a)(7)]
- A.7 **Prompt Reporting of Deviations:** The permittee shall submit a written report to the APCD documenting each and every deviation from the requirements of this permit or any applicable federal requirements within 7 days after discovery of the violation, but not later than 180-days after the date of occurrence. The report shall clearly document 1) the probable cause and extent of the deviation 2) equipment involved, 3) the quantity of excess pollutant emissions, if any, and 4) actions taken to correct the deviation. The requirements of this condition shall not apply to deviations reported to APCD in accordance with Rule 505. *Breakdown Conditions*, or Rule 1303.F *Emergency Provisions*. [APCD Rule 1303.D.1, 40 CFR 70.6(a)(3)]
- A.8 **Federally-Enforceable Conditions:** Each federally-enforceable condition in this permit shall be enforceable by the USEPA and members of the public. None of the conditions in the APCD-only enforceable section of this permit are federally-enforceable or subject to the public/USEPA review [Re: CAAA, § 502(b)(6), 40 CFR 70.6(b)]
- A.9 **Reporting Requirements/Compliance Certification:** The permittee shall submit compliance certification reports to both the USEPA and the Control Officer every six-months. These reports shall be submitted on APCD forms and shall identify each applicable requirement/condition of the permit, the compliance status with each requirement/condition, the monitoring methods used to determine compliance, whether the compliance was continuous or intermittent, and include detailed information on the occurrence and correction of any deviations (excluding emergency

upsets) from permit requirement. The reporting periods shall be each half of the calendar year, e.g., January through June for the first half of the year. These reports shall be submitted by September 1<sup>st</sup> and March 1<sup>st</sup>, respectively, each year. Supporting monitoring data shall be submitted in accordance with the "Semi-Annual Monitoring/Compliance Verification Report" condition in section 9.C. The permittee shall include a written statement from the responsible official, which certifies the truth, accuracy, and completeness of the reports. [Re: APCD Rules 1303.D.1, 1302.D.3, 1303.2.c]

A.10 **Recordkeeping Requirements:** Records of required monitoring information that includes the following:

- (a) The date, place as defined in the permit, and time of sampling or measurements;
- (b) The date(s) analyses were performed;
- (c) The company or entity that performed the analyses;
- (d) The analytical techniques or methods used;
- (e) The results of such analyses; and
- (f) The operating conditions as existing at the time of sampling or measurement;

The records (electronic or hard copy), as well as all supporting information including calibration and maintenance records, shall be maintained for a minimum of five (5) years from date of initial entry by the permittee and shall be made available to the APCD upon request. [Re: APCD Rule 1303.D.1.f, 40CFR70.6(a)(3)(ii)(A)]

A.11 **Conditions for Permit Reopening:** The permit shall be reopened and revised for cause under any of the following circumstances:

- (a) Additional Requirements: If additional applicable requirements (e.g., NSPS or MACT) become applicable to the source which has an unexpired permit term of three (3) or more years, the permit shall be reopened. Such a reopening shall be completed no later than 18 months after promulgation of the applicable requirement. However, no such reopening is required if the effective date of the requirement is later than the date on which the permit is due to expire, unless the original permit or any of its terms and conditions has been extended. All such re-openings shall be initiated only after a 30-day notice of intent to reopen the permit has been provided to the permittee, except that a shorter notice may be given in case of an emergency.
- (b) Inaccurate Permit Provisions: If the APCD or the USEPA determines that the permit contains a material mistake or that inaccurate statements were made in establishing the emission standards or other terms or conditions of the permit, the permit shall be reopened. Such re-openings shall be made as soon as practicable.
- (c) Applicable Requirement: If the APCD or the USEPA determines that the permit must be revised or revoked to assure compliance with any applicable requirement including a federally-enforceable requirement, the permit shall be reopened. Such re-openings shall be made as soon as practicable.

Administrative procedures to reopen and revise/revoke/reissue a permit shall follow the same procedures as apply to initial permit issuance. Re-openings shall affect only those parts of the permit for which cause to reopen exist.

If a permit is reopened, the expiration date does not change. Thus, if the permit is reopened, and revised, then it will be reissued with the expiration date applicable to the re-opened permit. [Re: 40 CFR 70.7(f)(1)-(3), 40 CFR 70.6(a)(2)]

### **9.B. Generic Conditions**

The generic conditions listed below apply to all emission units, regardless of their category or emission rates. These conditions are federally-enforceable. Compliance with these requirements is discussed in Section 3. In case of a discrepancy between the wording of a condition and the applicable federal or APCD rule(s), the wording of the rule shall control.

- B.1 **Circumvention (Rule 301):** A person shall not build, erect, install, or use any article, machine, equipment or other contrivance, the use of which, without resulting in a reduction in the total release of air contaminants to the atmosphere, reduces or conceals an emission which would otherwise constitute a violation of Division 26 (Air Resources) of the Health and Safety Code of the State of California or of these Rules and Regulations. This Rule shall not apply to cases in which the only violation involved is of Section 41700 of the Health and Safety Code of the State of California, or of APCD Rule 303. [Re: APCD Rule 301]
- B.2 **Nuisance (Rule 303):** No pollutant emissions from any equipment at this facility shall create nuisance conditions. No operations shall endanger health, safety or comfort, nor shall they damage any property or business. [Re: APCD Rule 303]

### **9.C Equipment Specific Conditions**

This section contains non-generic federally-enforceable conditions, including emissions and operations limits, monitoring, recordkeeping, and reporting for each specific equipment group. This section may also contain other non-generic conditions. The following condition supersedes condition C.6 of Part-70/PTO 9136-R5 issued June 2, 2008. All other permit conditions remain unchanged and in full force.

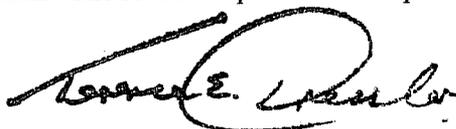
- C.6. **Glycol Reboiler and Amine Reboiler Operational Restrictions:** The equipment permitted herein is subject to the following operational restrictions:
- (a) All gas from the glycol reboiler and amine reboiler stills shall be vented to the field fuel gas system. At no time shall this gas be vented to the atmosphere or combusted in the flare.
  - (b) The vapor recovery system connected to the glycol reboiler and amine reboiler stills shall be in operation at all times that produced gas is being processed through the permitted equipment. The vapor recovery system includes associated valves, fittings, and flanges. The vapor recovery system shall be maintained and operated to minimize the release of emissions. At no time shall this gas be vented to the atmosphere or combusted in the flare. [Re: ATC 10914, ATC 12599]

**9.D APCD-Only Conditions**

The following section lists permit conditions that are not enforceable by the USEPA or the public. However, these conditions are enforceable by the APCD and the State of California. These conditions are issued pursuant to APCD Rule 206 (*Conditional Approval of Authority to Construct or Permit to Operate*), which states that the Control Officer may issue an operating permit subject to specified conditions. Permit conditions have been determined as being necessary for this permit to ensure that operation of the facility complies with all applicable local and state air quality rules, regulations and laws. Failure to comply with any condition specified pursuant to the provisions of Rule 206 shall be a violation of that rule, this permit, as well as any applicable section of the California Health & Safety Code.

D.1 **Permit Activation.** All aspects of this permit are enforceable by the APCD and the State of California upon the issuance date stamped below. The Part 70 aspects of this permit are not final until:

- (a) The USEPA has either provided written comments to the APCD and these comments require no modification to this permit or the USEPA does not provide written comments during their review period. The APCD will issue a letter stating that this permit is a final Part 70 permit. The effective date that this permit will be considered a final Part 70 permit will be the date stamped on the APCD's letter.
- (b) After the USEPA has provided the APCD written comments that require a modification to this permit, the APCD will modify this permit to address the USEPA's comments and issue the Part 70 permit as final. The re-issued permit will supersede this permit in its entirety.



AIR POLLUTION CONTROL OFFICER

MAR 05 2010

DATE

Attachments:

- Permit Equipment List
- Tables 5.1-1 through 5.1-4
- Permit Evaluation for Permit to Operate 12599

Notes:

- Reevaluation Due Date: April 1, 2011
- Stationary sources are subject to an annual emission fee (see Fee Schedule B-3 of Rule 210).
- Annual reports are due by March 1<sup>st</sup> of each year.
- This permit supersedes ATC 12599 issued in September 2008

PROPOSED Equipment List for Part 70 Minor Revision 12599 / Permit to Operate 12599

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PERMIT EQUIPMENT LIST - TABLE A

PTO 12599 / FID: 03202 Gas Plant 10 / SSID: 01073

**A PERMITTED EQUIPMENT**

**1 Vapor Recovery` Compressor**

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<i>Device ID #</i>	<b>111385</b>	<i>Device Name</i>	<b>Vapor Recovery Compressor</b>
<i>Rated Heat Input</i>		<i>Physical Size</i>	10 Horsepower (Electric Motor)
<i>Manufacturer</i>	Ingersol Rand	<i>Operator ID</i>	
<i>Model</i>	67FG	<i>Serial Number</i>	
<i>Location Note</i>			
<i>Device Description</i>	Serving glycol reboiler H-101 and the amine reboiler H-700. The compressor has a capacity of 56.7 cfm at 500 rpm.		

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**Table 5.1-1**  
**Permit to Operate 12599**  
**E&B Gas Plant 10**  
**Equipment Description**

Equipment Category	Description	Device			Usage Data			Hours Per			
		ID#	Parameter	Capacity	Size	Units	Service Load	day	qtr	year	
<b>Fugitive Hydrocarbon Components - Gas/Condensate Service</b>											
	Valves	008323	-	-	786	clp's	gas	1	24	2,190	8,760
	Valves (unsafe to monitor)	008325	-	-	15	clp's	gas	1	24	2,190	8,760
	Connections	008327	-	-	6,122	clp's	gas	1	24	2,190	8,760
	Connections (unsafe to monitor)	008328	-	-	62	clp's	gas	1	24	2,190	8,760
	Compressor seals (open)	008329	-	-	1	clp's	gas	1	24	2,190	8,760
	Compressor seals (sealed)	008330	-	-	18	clp's	gas	1	24	2,190	8,760
	Pump Seals	008331	-	-	4	clp's	gas	1	24	2,190	8,760
	Relief Valves (open)	008332	-	-	9	clp's	gas	1	24	2,190	8,760
<b>Fugitive Hydrocarbon Components - Oil Service</b>											
	Valves	105000	-	-	90	clp's	oil	1	24	2,190	8,760
	Connections	105001	-	-	80	clp's	oil	1	24	2,190	8,760
<b>External Combustion Equipment</b>											
	Glycol Reboiler: H-101.	008333	0.001	%S	5.63	MMBtu/hr	n/a	1	24	2,190	8,760
	Glycol Reboiler.	008334	0.001		1.46	MMBtu/hr	n/a	1	24	2,190	8,760
	Amine Reboiler	105021	0.001		0.650	MMBtu/hr	n/a	1	24	2,190	8,760
<b>Flare</b>											
	Planned Flaring <sup>1</sup>	101060	0.0796		69.88	MMBtu/hr	n/a	1	n/a	n/a	279.5
	Unplanned/Emergency Flaring	101060	0.0796		0.00	MMBtu/hr	n/a	0	0	0	0

1. The volume of gas flared is consistent with E&B's Flare Minimization Plan.

**Table 5.1-2  
Permit to Operate 12599  
E&B Gas Plant 10  
Emission Factors**

Equipment Category	Description	Device							Emission Factors				Section 10.1	
		ID#	NOx	ROC	CO	SOx	PM	PM10	Units	Reference				
<b>Fugitive Hydrocarbon Components - Gas/Condensate Service</b>														
	Valves	008323		0.080								lb/day/clp	C	
	Valves (unsafe to monitor)	008325		0.402								lb/day/clp	C	
	Connections	008327		0.005								lb/day/clp	C	
	Connections (unsafe to monitor)	008328		0.025								lb/day/clp	C	
	Compressor seals (open)	008329		0.432								lb/day/clp	C	
	Compressor seals (sealed)	008330		0.000								lb/day/clp	C	
	Pump Seals	008331		0.521								lb/day/clp	C	
	Relief Valves (open)	008332		0.139								lb/day/clp	C	
<b>Fugitive Hydrocarbon Components - Oil Service</b>														
	Valves (Oil Service)	105000		0.028								lb/day/clp	C	
	Connections (Oil Service)	105001		0.005								lb/day/clp	C	
<b>External Combustion Equipment</b>														
	Glycol Reboiler: H-101.	008333	0.100	0.0053	0.002	0.00171	0.012	0.012	0.012	0.012	0.012	lb/MMBtu	A	
	Glycol Reboiler.	008334	0.094	0.0073	0.040	0.00171	0.011	0.011	0.011	0.011	0.011	lb/MMBtu	A	
	Amine Reboiler	105021	0.098	0.0054	0.082	0.0137	0.008	0.008	0.008	0.008	0.008	lb/MMBtu	A	
<b>Flare</b>														
	Planned Flaring	101060	0.068	0.0057	0.370	0.1362	0.02	0.02	0.02	0.02	0.02	lb/MMBtu	B	
	Unplanned/Emergency Flaring	101060	0.068	0.0057	0.370	0.1362	0.02	0.02	0.02	0.02	0.02	lb/MMBtu	B	

**Table 5.1-3  
Permit to Operate 12599  
E&B Gas Plant 10  
Hourly and Daily Emissions**

Equipment Category	Emissions Unit	Device ID #	NOx lb/hr	NOx lb/day	ROC lb/hr	ROC lb/day	CO lb/hr	CO lb/day	SOx lb/hr	SOx lb/day	PM lb/hr	PM lb/day	PM <sub>10</sub> lb/hr	PM <sub>10</sub> lb/day	Federal Enforceability
<b>Fugitive Hydrocarbon Components - Gas/Condensate Service</b>															
	Valves	008323	-	-	2.63	63.20	-	-	-	-	-	-	-	-	FE
	Valves (unsafe to monitor)	008325	-	-	0.25	6.03	-	-	-	-	-	-	-	-	FE ATC
	Connections	008327	-	-	1.27	30.54	-	-	-	-	-	-	-	-	FE 7214A
	Connections (unsafe to monitor)	008328	-	-	0.06	1.55	-	-	-	-	-	-	-	-	FE
	Compressor seals (open)	008329	-	-	0.02	0.43	-	-	-	-	-	-	-	-	FE
	Compressor seals (sealed)	008330	-	-	0.00	0.00	-	-	-	-	-	-	-	-	FE
	Pump Seals	008331	-	-	0.09	2.09	-	-	-	-	-	-	-	-	FE
	Relief Valves (open)	008332	-	-	0.05	1.25	-	-	-	-	-	-	-	-	FE
<b>Fugitive Hydrocarbon Components - Oil Service</b>															
	Valves (Oil Service)	105000	-	-	0.11	2.56	-	-	-	-	-	-	-	-	FE ATC 10914
	Connections (Oil Service)	105001	-	-	0.02	0.37	-	-	-	-	-	-	-	-	FE ATC 10914
<b>External Combustion Equipment</b>															
	Glycol Reboiler: H-101.	008333	0.07	1.68	0.01	0.20	0.01	0.24	0.01	0.20	0.01	0.24	0.01	0.24	FE
	Glycol Reboiler.	008334	0.02	0.39	0.01	0.24	0.01	0.17	0.01	0.24	0.01	0.24	0.01	0.24	FE
	Amine Reboiler	105021	0.06	1.53	0.00	0.02	0.05	1.29	0.01	0.21	0.00	0.12	0.00	0.12	FE ATC 10914
<b>Flare</b>															
	Planned Flaring <sup>1</sup>	101060	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	A
	Unplanned/Emergency Flaring	101060	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	A

1. Flaring is on an event basis, therefore emission limits are only given in terms of tons per year.

**Table 5.1-4**  
**Permit to Operate 12599**  
**E&B Gas Plant 10**  
**Quarterly and Annual Emissions**

Equipment Category	Emissions Unit	Device		NOx		ROC		CO		SOx		PM		PM10		Federal Enforceability
		ID #	TPQ	TPQ	TPY	TPQ	TPY	TPQ	TPY	TPQ	TPY	TPQ	TPY	TPQ	TPY	
<b>Fugitive Hydrocarbon Components - Gas/Condensate Service</b>																
	Valves	008323	-	-	2.88	11.53	-	-	-	-	-	-	-	-	-	FE
	Valves (unsafe to monitor)	008325	-	-	0.28	1.10	-	-	-	-	-	-	-	-	-	FE ATC
	Connections	008327	-	-	1.39	5.57	-	-	-	-	-	-	-	-	-	FE 7214A
	Connections (unsafe to monitor)	008328	-	-	0.07	0.28	-	-	-	-	-	-	-	-	-	FE
	Compressor seals (open)	008329	-	-	0.02	0.08	-	-	-	-	-	-	-	-	-	FE
	Compressor seals (sealed)	008330	-	-	--	--	-	-	-	-	-	-	-	-	-	FE
	Pump Seals	008331	-	-	0.10	0.38	-	-	-	-	-	-	-	-	-	FE
	Relief Valves (open)	008332	-	-	0.06	0.23	-	-	-	-	-	-	-	-	-	FE
<b>Fugitive Hydrocarbon Components - Oil Service</b>																
	Valves (Oil Service)	105000	-	-	0.12	0.47	-	-	-	-	-	-	-	-	-	FE ATC 10914
	Connections (Oil Service)	105001	-	-	0.02	0.07	-	-	-	-	-	-	-	-	-	FE ATC 10914
<b>External Combustion Equipment</b>																
	Glycol Reboiler H-101.	008333	0.08	0.31	0.00	0.01	0.01	0.01	0.04	0.01	0.04	0.01	0.04	0.01	0.04	FE
	Glycol Reboiler.	008334	0.01	0.04	0.01	0.04	0.01	0.04	0.01	0.04	0.01	0.04	0.01	0.04	0.01	FE
	Amine Reboiler	105021	0.07	0.28	0.01	0.02	0.06	0.23	0.01	0.04	0.01	0.02	0.01	0.02	0.01	FE ATC 10914
<b>Flare</b>																
	Planned Flaring <sup>1</sup>	101060	NA	2.49	NA	NA	0.21	NA	13.57	NA	5.00	NA	0.73	NA	0.73	A
	Unplanned/Emergency Flaring	101060	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	A

1. Flaring is on an event basis, therefore emission limits are only given in terms of tons per year.



**PERMIT EVALUATION FOR  
PROPOSED MINOR PART 70 REVISION / PERMIT TO OPERATE 12599**

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**1.0 BACKGROUND**

1.1 General: The application for Part 70 Minor Revision 12599 / Permit to Operate 12599 was received on June 29, 2009 and deemed complete on July 29, 2009.

1.2 Permit History:

<b>PERMIT</b>	<b>FINAL ISSUED</b>	<b>PERMIT DESCRIPTION</b>
PTO 04669	09/30/1983	See Permit
PTO 05932	05/24/1985	See Permit
PTO 04203	09/08/1986	See Permit
PTO 04499	05/18/1987	See Permit
ATC 07214	01/11/1989	
ATC Mod 07214 02	05/09/1990	See Permit
PTO 07214	01/15/1991	See Permit
PTO Mod 07214 04	03/11/1992	See Permit
Reeval 08604 R1	06/22/1992	See Permit
Reeval 09136 R1	02/10/1994	See Permit
PT-70/Reeval 09136 R2	08/21/1998	Combined Part 70 and permit reevaluation.
PT-70/Reeval 09136 R3	04/03/2002	Reeval for Gas Plant 10.
ATC 10914	01/29/2003	Install an Amine Unit to remove CO <sub>2</sub> from the sales gas stream. CO <sub>2</sub> rich gas will be sent to the field fuel system. See PT-70 R 11006.
PTO 10914	11/10/2003	Amine Unit to remove CO <sub>2</sub> from the sales gas stream. CO <sub>2</sub> rich gas is sent to the field fuel system. Also see PT70R 11006.
PT-70 R 11006	11/10/2003	See PTO 10914 for a new amine CO <sub>2</sub> removal system at Gas Plant 10.
Trn O/O 09136 01	10/20/2004	Transfer of Owner/Operator from Hallador to E&B Natural Management Corp.
PT-70/Reeval 09136 R4	06/14/2005	Permit Reevaluation
PT-70/Reeval 09136 R5	06/02/2008	Permit Reevaluation
ATC 12599	09/25/2008	Replace the 3 hp vapor recovery compressor with a 10 hp compressor. Serves the amine reboiler and the glycol reboiler.

PERMIT EVALUATION FOR  
PROPOSED PART 70 MINOR REVISION 12599 / PERMIT TO OPERATE 12599

PERMIT	FINAL ISSUED	PERMIT DESCRIPTION
ATC 12913	07/06/2009	Nitrogen removal unit used to bring the nitrogen content of the sales gas to 3% or less.

1.3 Compliance History:

VIOLATION TYPE	NUMBER	ISSUE DATE	DESCRIPTION OF VIOLATION
NOV	4670	12/07/1993	MAJOR LEAKS IN 9 VALVES, EQUIP VIOLATION
NOV	5183	11/28/1995	Exceeding the number of leaks specified in Table 1 of Section F.2. for each inspection period
NOV	7596	01/03/2003	Failing to maintain an open-ended line and valves located at the end of open lines sealed with a blind flange, plug, cap or a second closed valve, at all times except during operations requiring liquid or gaseous process fluid flow through the open-ended line.
NOV	8435	10/07/2005	Operating a portable air compressor driven by a 29 BHP gasoline fired ICE without first obtaining APCD permit approval or CARB PERP certification.
NOV	8436	10/27/2005	Failing to control emissions of produced gas from the glycol reboiler still at all times using the permitted glycol reboiler VRU.
NOV	8559	06/14/2006	Exceeding the number of allowable major gas leaks from "other" components.
NOV	8733	12/26/2006	Failing to maintain the flare automatic ignition system operational at all times in lieu of maintaining a continuous pilot flame to prevent the release of uncombusted gas to the atmosphere.

**2.0 ENGINEERING ANALYSIS**

- 2.1 Equipment/Processes: The vapor recovery system includes all piping, valves, and flanges associated with the vapor recovery system. Vapors from the glycol reboiler and the amine reboiler are collected and routed to field fuel.
- 2.2 Emission Controls: The vapor recovery system is a control system that provides 95% control efficiency to the equipment it serves.
- 2.3 Emission Factors: Fugitive emissions were not calculated for the replacement of the compressor because there is no increase in the number for fugitive hydrocarbon leak paths due to the replacement.
- 2.4 Reasonable Worst Case Emission Scenario: Completion of this project maintains vapor recovery service to the glycol reboiler and the amine reboiler.

PERMIT EVALUATION FOR  
PROPOSED PART 70 MINOR REVISION 12599 / PERMIT TO OPERATE 12599

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- 2.5 Emission Calculations: Detailed emission calculation spreadsheets for Gas Plant 10 can be found in Part-70/PTO 9136-R5 issued June 2, 2008. These emissions define the Potential to Emit for the facility.
- 2.6 Special Calculations: Vanson Engineering Co. provided detailed design calculations for the replacement compressor. These calculations show that the maximum flow from the equipment connected to the vapor recovery system is 37.6 Mscf/day. The design capacity of the new compressor is 84 Mscf/day. Thus the replacement compressor has adequate capacity to handle the emissions from the equipment connected to the vapor recovery system. These calculations are in the administrative file for this permit.
- 2.7 BACT Analyses: Best Available Control Technology was not required for this project.
- 2.8 Enforceable Operational Limits: The permit has enforceable operating conditions that ensure the equipment is operated properly.
- 2.9 Monitoring Requirements: Part-70/PTO 9136-R5 contains the monitoring requirements for Gas Plant 10. This permit requires that the vapor recovery system (VRS) be in operation when the equipment connected to the VRS system is in use.
- 2.10 Recordkeeping and Reporting Requirements: Part-70/PTO 9136-R5 requires that the data which is monitored be recorded and reported to the APCD.

**3.0 REEVALUATION REVIEW (not applicable)**

**4.0 REGULATORY REVIEW**

- 4.1 Partial List of Applicable Rules: This project is anticipated to operate in compliance with the following rules:

- Rule 101. Compliance of Existing Facilities
- Rule 201. Permits Required
- Rule 202. Exemptions to Rule 201
- Rule 205. Standards for Granting Permits
- Rule 303. Nuisance
- Rule 326. Storage of Reactive Organic Compound Liquids
- Rule 331. Fugitive Emissions Inspection and Maintenance
- Rule 505. Breakdown Procedures
- Rule 801. New Source Review
- Rule 802. Nonattainment Review
- Rule 803. Prevention of Significant Deterioration

- 4.2 Rules Requiring Review: None

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PROPOSED PART 70 MINOR REVISION 12599 / PERMIT TO OPERATE 12599

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4.3 NEI Calculations: The net emission increase calculation is used to determine whether certain requirements must be applied to a project (e.g., offsets, AQIA, PSD BACT). This permit does not contribute to the NEI. The NEI for the stationary source is listed in Attachment "A".

**5.0 AQIA**

The project is not subject to the Air Quality Impact Analysis requirements of Regulation VIII.

**6.0 OFFSETS/ERCs**

6.1 Offsets: This permit action does not exceed the emission offset thresholds of Regulation VIII.

6.2 ERCs: This permit action does not generate emission reduction credits.

**7.0 AIR TOXICS**

An air toxics health risk assessment was not performed for this permitting action.

**8.0 CEQA / LEAD AGENCY**

This project is exempt from CEQA pursuant to the Environmental Review Guidelines for the Santa Barbara County APCD (revised November 16, 2000). Appendix A.2 (*Equipment or Operations Exempt from CEQA*) specifically exempts Permits to Operate. No further action is necessary.

**9.0 SCHOOL NOTIFICATION**

A school notice pursuant to the requirements of H&SC §42301.6 was not required.

**10.0 PUBLIC and AGENCY NOTIFICATION PROCESS/COMMENTS ON DRAFT PERMIT**

This project was not subject to public notice. In a March 2, 2010 email, Ms. Kim Kelley of E&B stated that E&B had no comments on the draft version of this permit.

**11.0 FEE DETERMINATION**

Fees for the APCD's work effects are assessed on a fee basis. The Project Code is 300500 (*Oil and Gas Plant*). See the *Fee Statement* Attachment for the fee calculations.

**12.0 RECOMMENDATION**

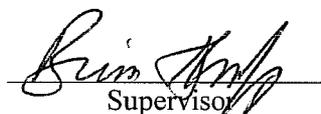
It is recommended that this permit be granted with the conditions as specified in the permit.

Phil Sheehan  
AQ Engineer



03/04/10  
Date

Supervisor



3/4/10  
Date

**13.0 ATTACHMENTS**

- A. Figures & Tables
- B. Fee Statement

Attachment "A"  
Figures & Tables

**Stationary Source Net Emissions Increase**  
**E&B Couth Cuyama**  
**PTO 12925**

**I. This Projects "I" NEI-90**

Permit No.	Date Issued	NOx		ROC		CO		SOx		PM		PM10	
		lb/day	ton/yr										
<b>Totals</b>		<b>0.00</b>											

**II. This Source's "P1s"**

Enter all facility "P1" NEI-90s below:

Permit No.	Date Issued	NOx		ROC		CO		SOx		PM		PM10	
		lb/day	ton/yr	lb/day	ton/yr	lb/day	ton/yr	lb/day	ton/yr	lb/day	ton/yr	lb/day	ton/yr
PTO 7250 - R7	8/2/2008			21.46	3.82								
PTO 8010 - R6	8/2/2008			0.00	0.00								
PTO 9136 - R5	8/2/2008	1.53	0.28	17.80	3.25	1.29	0.23	0.21	0.04	0.12	0.02	0.12	0.02
ATC 12599	9/25/2008			0.00	0.00								
ATC 12925	3/1/2009			2.14	0.39								
ATC 12883 - 01	7/8/2009			9.59	1.75								
ATC 12913	7/6/2009			11.35	2.07								
ATC 13306	11/3/2009			0.18	0.03								
<b>Totals</b>		<b>1.53</b>	<b>0.28</b>	<b>62.52</b>	<b>11.31</b>	<b>1.29</b>	<b>0.23</b>	<b>0.21</b>	<b>0.04</b>	<b>0.12</b>	<b>0.02</b>	<b>0.12</b>	<b>0.02</b>

Notes: (1) Facility NEI from IDS.

**III. This Source's "P2" NEI-90 Decreases**

Enter all facility "P2" NEI-90s below:

Permit No.	Date Issued	NOx		ROC		CO		SOx		PM		PM10	
		lb/day	ton/yr	lb/day	ton/yr	lb/day	ton/yr	lb/day	ton/yr	lb/day	ton/yr	lb/day	ton/yr
ATC 12883 - 01				11.69	2.51								
<b>Totals</b>		<b>0.00</b>	<b>0.00</b>	<b>11.69</b>	<b>2.51</b>	<b>0.00</b>							

Notes: (1) Facility NEI from IDS.

**IV. This Source's Pre-90 "D" Decreases**

Enter all facility "D" decreases below:

Permit No.	Date Issued	NOx		ROC		CO		SOx		PM		PM10	
		lb/day	ton/yr										
<b>Totals</b>		<b>0.00</b>											

Notes: (1) Facility "D" from IDS.

**V. Calculated This Source's NEI-90**

Table below summarizes facility NEI-90 as equal to: I+ (P1-P2) -D

Term	NOx		ROC		CO		SOx		PM		PM10	
	lb/day	ton/yr	lb/day	ton/yr	lb/day	ton/yr	lb/day	ton/yr	lb/day	ton/yr	lb/day	ton/yr
Project "I"	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
P1	1.53	0.28	62.52	11.31	1.29	0.23	0.21	0.04	0.12	0.02	0.12	0.02
P2	0.00	0.00	11.69	2.51	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
D	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
<b>FNEI-90</b>	<b>1.53</b>	<b>0.28</b>	<b>50.83</b>	<b>8.80</b>	<b>1.29</b>	<b>0.23</b>	<b>0.21</b>	<b>0.04</b>	<b>0.12</b>	<b>0.02</b>	<b>0.12</b>	<b>0.02</b>

Notes: (1) Resultant FNEI-90 from above Section I thru IV data.  
(2) Totals only apply to permits for this facility ID. Totals may not appear correct due to rounding.  
(3) Because of rounding, values in this table shown as 0.00 are less than 0.005, but greater than zero.

Attachment "B"  
Fee Statement

**FEE STATEMENT**  
**PTO No. 12599**  
**FID: 03202 Gas Plant 10 / SSID: 01073**



**Device Fee**

Device No.	Device Name	Fee Schedule	Qty of Fee Units	Fee per Unit	Fee Units	Max or Min. Fee Apply?	Number of Same Devices	Pro Rate Factor	Device Fee	Penalty Fee?	Fee Credit	Total Fee per Device
111385	Vapor Recovery Compressor	A2	10.000	30.41	Per total rated hp	No	1	1.000	304.10	0.00	0.00	304.10
<b>Device Fee Sub-Totals =</b>									<b>\$304.10</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$304.10</b>
<b>Device Fee Total =</b>												<b>\$304.10</b>

**Permit Fee**

Fee Based on Devices

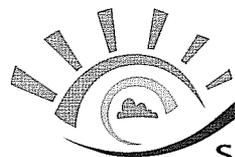
304.10

**Fee Statement Grand Total = \$304**

Notes:

- (1) Fee Schedule Items are listed in APCD Rule 210, Fee Schedule "A".
- (2) The term "Units" refers to the unit of measure defined in the Fee Schedule.





Santa Barbara County  
**Air Pollution Control District**  
**MAR 05 2010**

*Certified Mail 7009 2250 0004 4642 3507*  
*Return Receipt Requested*

Kim Kelley  
E & B Natural Resources  
PO Box 179  
New Cuyama, CA 93254

FID: 03202  
Permit: P 12599  
SSID: 01073

Re: Final Permit to Operate 12599  
Fee Due: \$ 304

Dear Ms. Kelley:

Enclosed is final Permit to Operate (PTO) 12599 for a replacement vapor recovery compressor at Gas Plant 10. Please carefully review the enclosed documents to ensure that they accurately describe your facility and that the conditions are acceptable to you. Note that your permitted emission limits may, in the future, be used to determine emission fees.

You should become familiar with all APCD rules pertaining to your facility. This permit does not relieve you of any requirements to obtain authority or permits from other governmental agencies.

This permit requires you to:

- Pay a **fee** of \$304, which is due immediately and is considered late after 30 calendar days from the date stamped on the permit. Pursuant to APCD Rule 210.IV.B, no appeal shall be heard unless all fees have been paid. See the attached invoice for more information.
- Follow the conditions listed on your permit. Pay careful attention to the recordkeeping and reporting requirements.
- Ensure that a copy of the enclosed permit is posted or kept readily available near the permitted equipment.
- Promptly report changes in ownership, operator, or your mailing address to the APCD.

If you are not satisfied with the conditions of this permit, **you have thirty (30) days from the date of this issuance to appeal this permit to the Air Pollution Control District Hearing Board** (ref: California Health and Safety Code, §42302.1). Any contact with APCD staff to discuss the terms of this permit will not stop or alter the 30-day appeal period.

Please include the facility identification (FID) and permit numbers as shown at the top of this letter on all correspondence regarding this permit. If you have any questions, please contact Philip Sheehan of my staff at (805) 961-8876.

Sincerely,

A handwritten signature in black ink, appearing to read "Michael Goldman", with a long horizontal flourish extending to the right.

Michael Goldman, Manager  
Engineering & Compliance Division

enc: Final PTO 12599  
Final Permit Evaluation  
Invoice # P 12599  
Air Toxics "Hot Spots" Fact Sheet APCD Form 12B

cc: Gas Plant 10 03202 Project File NC/SC  
ECD Chron File  
Accounting (Invoice only)  
Craig Strommen (Cover letter only)

\\sbcapcd.org\shares\Groups\ENGR\WP\PT70SRCE\PERMITS\O&G-PRODE&B-Cuyama\Gas Plant 10\PTOs\PTO 12599\PTO 12599 - Final Letter - 3-4-2010.doc



**Santa Barbara County  
Air Pollution Control District**

Post Office Box 6447  
Santa Barbara, CA 93160-6447

Invoice: P 12599  
Date: **MAR 05 2010**  
Terms: Net 30 Days

300500/6600/3280

# INVOICE

**BILL TO:**

Kim Kelley  
E & B Natural Resources (103450)  
PO Box 179  
New Cuyama, CA 93254

**FACILITY:**

Gas Plant 10  
03202  
South Cuyama Unit  
Cuyama

Permit: Permit to Operate (PTO) No. 12599

Fee Type: Permit Evaluation Fee (see the Fee Statement in your permit for a breakdown of the fees)

**Amount Due: \$ 304**

**REMIT PAYMENTS TO THE ABOVE ADDRESS**

Please indicate the invoice number P 12599  
on your remittance.

IF YOU HAVE ANY QUESTIONS REGARDING YOUR INVOICE PLEASE CONTACT  
OUR ADMINISTRATION DIVISION AT (805) 961-8800

The APCD charges \$25 for returned checks. Other penalties/fees may  
be incurred as a result of returned checks and late payment (see APCD Rule 210). Failure to pay this Invoice may result in the  
cancellation or suspension of your permit. Please notify the APCD regarding any changes to the above information