



San Joaquin Valley
AIR POLLUTION CONTROL DISTRICT



NOV 08 2011

Gerardo C. Rios, Chief
Permits Office
Air Division
U.S. EPA - Region IX
75 Hawthorne St
San Francisco, CA 94105

**Re: Final - Authority to Construct / Certificate of Conformity (Minor Mod)
Project # S-1110556**

Dear Mr. Rios:

The Air Pollution Control Officer has issued an Authority to Construct (S-1547-414-10) with a Certificate of Conformity to Aera Energy LLC. The project is to modify an existing 49 MMBtu/hr standby flare (S-1547-414) to replace one existing 12-foot diameter SulfaTreat vessel with up to two 8-foot diameter SulfaTreat vessels.

Enclosed are copies of the Authority to Construct. The application and proposal were sent to US EPA Region IX on September 19, 2011. No comments were received following the District's preliminary decision on this project.

Thank you for your cooperation in this matter. If you have any questions, please contact Mr. Leonard Scandura, Permit Services Manager, at (661) 392-5500.

Sincerely,


David Warner
Director of Permit Services

Enclosures
har

Seyed Sadredin
Executive Director/Air Pollution Control Officer

Northern Region
4800 Enterprise Way
Modesto, CA 95356-8718
Tel: (209) 557-6400 FAX: (209) 557-6475

Central Region (Main Office)
1990 E. Gettysburg Avenue
Fresno, CA 93726-0244
Tel: (559) 230-6000 FAX: (559) 230-6061

Southern Region
34946 Flyover Court
Bakersfield, CA 93308-9725
Tel: 661-392-5500 FAX: 661-392-5585



San Joaquin Valley
AIR POLLUTION CONTROL DISTRICT



HEALTHY AIR LIVING™

NOV 08 2011

Mr. John Haley
Aera Energy LLC
P O Box 11164
Bakersfield, CA 93389-1164

**Re: Final - Authority to Construct / Certificate of Conformity (Minor Mod)
Project # S-1110556**

Dear Mr. Haley:

The Air Pollution Control Officer has issued an Authority to Construct (S-1547-414-10) with a Certificate of Conformity to Aera Energy LLC. The project is to modify an existing 49 MMBtu/hr standby flare (S-1547-414) to replace one existing 12-foot diameter SulfaTreat vessel with up to two 8-foot diameter SulfaTreat vessels.

Enclosed is the Authority to Construct and invoice. The application and proposal were sent to US EPA Region IX on September 19, 2011. No comments were received following the District's preliminary decision on this project.

Prior to operating with modifications authorized by the Authority to Construct, you must submit an application to modify the Title V permit as an administrative amendment in accordance with District Rule 2520, Section 11.5.

Thank you for your cooperation in this matter. If you have any questions, please contact Mr. Leonard Scandura, Permit Services Manager, at (661) 392-5500.

Sincerely,

David Warner
Director of Permit Services

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har

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Tel: 661-392-5500 FAX: 661-392-5585



AUTHORITY TO CONSTRUCT

PERMIT NO: S-1547-414-10

ISSUANCE DATE: 11/07/2011

LEGAL OWNER OR OPERATOR: AERA ENERGY LLC
MAILING ADDRESS: PO BOX 11164
BAKERSFIELD, CA 93389-1164

LOCATION: HEAVY OIL WESTERN STATIONARY SOURCE
KERN COUNTY, CA

SECTION: SW26 TOWNSHIP: 29S RANGE: 22E

EQUIPMENT DESCRIPTION:

MODIFICATION OF 49 MMBTU/HR KALDAIR MODEL P-20-E PIPE STANDBY FLARE, SULFATREAT VESSEL, AND GAS HYDRATING AND DRAIN SYSTEM (A/F DEHY): REPLACE ONE EXISTING 12-FOOT DIAMETER SULFATREAT VESSEL WITH UP TO TWO 8-FOOT DIAMETER SULFATREAT VESSELS AND REMOVE REFERENCE TO THE GAS HYDRATING AND DRAIN SYSTEM

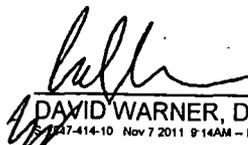
CONDITIONS

1. This Authority to Construct serves as a written certificate of conformity with the procedural requirements of 40 CFR 70.7 and 70.8 and with the compliance requirements of 40 CFR 70.6(c). [District Rule 2201] Federally Enforceable Through Title V Permit
2. Prior to operating with modifications authorized by this Authority to Construct, the facility shall submit an application to modify the Title V permit with an administrative amendment in accordance with District Rule 2520 Section 5.3.4. [District Rule 2520, 5.3.4] Federally Enforceable Through Title V Permit
3. Visible emissions from flare shall be less than 5% opacity, except for a period or periods aggregating three minutes or less in any one hour. [District Rule 2201] Federally Enforceable Through Title V Permit
4. Only natural gas shall be used as pilot fuel. [District Rule 2201] Federally Enforceable Through Title V Permit
5. Flare shall be equipped with an operational gas volume flow meter. [District Rules 2201 and 4311] Federally Enforceable Through Title V Permit

CONDITIONS CONTINUE ON NEXT PAGE

YOU MUST NOTIFY THE DISTRICT COMPLIANCE DIVISION AT (661) 392-5500 WHEN CONSTRUCTION IS COMPLETED AND PRIOR TO OPERATING THE EQUIPMENT OR MODIFICATIONS AUTHORIZED BY THIS AUTHORITY TO CONSTRUCT. This is NOT a PERMIT TO OPERATE. Approval or denial of a PERMIT TO OPERATE will be made after an inspection to verify that the equipment has been constructed in accordance with the approved plans, specifications and conditions of this Authority to Construct, and to determine if the equipment can be operated in compliance with all Rules and Regulations of the San Joaquin Valley Unified Air Pollution Control District. Unless construction has commenced pursuant to Rule 2050, this Authority to Construct shall expire and application shall be cancelled two years from the date of issuance. The applicant is responsible for complying with all laws, ordinances and regulations of all other governmental agencies which may pertain to the above equipment.

Seyed Sadredin, Executive Director / APCO



DAVID WARNER, Director of Permit Services

S-1547-414-10 Nov 7 2011 9:14AM - RAMIREZH - Joint Inspection NOT Required

6. Flare shall be equipped with a heat sensing device such as a thermocouple, ultraviolet beam sensor, infrared sensor, or an equivalent device capable of continuously detecting at least one pilot flame or the flare flame is present. The flame detection device shall be kept operational at all times except during flare maintenance when the flare is isolated from gas flow. During essential planned power outages when the flare is operating, the pilot monitor is allowed to be non-functional if the flare flame is clearly visible to onsite operators. Effective on and after July 1, 2012, all pilot monitor downtime shall be reported annually pursuant to Rule 4311, section 6.2.3.6. [District Rule 4311] Federally Enforceable Through Title V Permit
7. A flame shall be present at all times when combustible gases are vented through the flare. [District Rule 4311] Federally Enforceable Through Title V Permit
8. Flare outlet shall be equipped with an automatic ignition system, or, shall operate with a pilot flame present at all times when combustible gases are vented through the flare, except during purge periods for automatic-ignition equipped flares. [District Rule 4311] Federally Enforceable Through Title V Permit
9. If the flare uses a flow-sensing automatic ignition system and does not use a continuous flame pilot, the flare shall use purge gas for purging. [District Rule 4311] Federally Enforceable Through Title V Permit
10. Open flares in which the flare gas pressure is less than 5 psig shall be operated in such a manner that meets the provisions of 40 CFR 60.18. [District Rule 4311, 5.6] Federally Enforceable Through Title V Permit
11. Volume of gas combusted in flare shall not exceed 1.2 MMscf/day and 3.15 MMscf/calendar quarter. [District Rule 2201] Federally Enforceable Through Title V Permit
12. Emissions from flare shall not exceed any of the following: PM10: 2.5 lb/MMscf, SOx: 240.65 lb/MMscf (as SO₂), NOx: 140 lb/MMscf (as NO₂), VOC: 2.8 lb/MMscf, CO: 35 lb/MMscf. [District Rule 2201] Federally Enforceable Through Title V Permit
13. Sulfur compound concentration (as H₂S) of gas flared shall not exceed 961 ppmv. [District Rule 2201] Federally Enforceable Through Title V Permit
14. Efficiency of sulfur removal unit shall be maintained at not less than 95% by weight. [District Rule 2201] Federally Enforceable Through Title V Permit
15. Permittee shall demonstrate compliance with sulfur compound concentration limit and sulfur removal efficiency at least once every 12.6 MMscf of gas treated, by sample analysis of inlet and outlet gas streams of sulfur removal unit. [District Rule 2201] Federally Enforceable Through Title V Permit
16. Permittee shall maintain a record of all sample analysis made of inlet and outlet gas streams, and upon request, shall make the most recent record available for District inspection. [District Rule 2201] Federally Enforceable Through Title V Permit
17. The VOC content of the gas handled by the SulfaTreat vessels shall not exceed 10% by weight. [District Rule 2201] Federally Enforceable Through Title V Permit
18. Operator shall conduct quarterly gas sampling for gas handled by the SulfaTreat vessels and their associated components to qualify for exemption from fugitive component counts for components handling fluids with VOC content equal to or less than 10% by weight. Representative gas samples are acceptable to determine VOC content (i.e. the SulfaTreat units and flare do not need to be operated to obtain sample). Quarterly samplings shall be reduced to annual samplings if gas samples contain VOC content equal to or less than 10% by weight for eight (8) consecutive quarterly samplings [District Rule 2201] Federally Enforceable Through Title V Permit
19. VOC content of gas handled by the SulfaTreat vessels and their associated components shall be determined by ASTM D1945, EPA Method 18 referenced as methane, or equivalent test method with prior District approval. [District Rule 2201] Federally Enforceable Through Title V Permit
20. Permittee shall maintain a record of the VOC content test results for the gas handled by the SulfaTreat vessels and their associated components for a period of five years and make such records available for inspection upon request. [District Rule 2201] Federally Enforceable Through Title V Permit
21. Permittee shall keep accurate records of dates and volumes of gas flared. Such records shall be retained for a period of at least five years and shall be made readily available for District inspection upon request. [District Rule 2201] Federally Enforceable Through Title V Permit

CONDITIONS CONTINUE ON NEXT PAGE

22. Authority to Construct (ATC) S-1547-414-11 shall be implemented prior to or concurrently with this ATC. [District Rule 2201] Federally Enforceable Through Title V Permit



San Joaquin Valley
AIR POLLUTION CONTROL DISTRICT

Due Date
1/6/2012

Amount Due
\$ 2,529.00

ATCFEE S1110556
1547 S97092 11/7/2011

Amount Enclosed

RETURN THIS TOP PORTION ONLY, WITH REMITTANCE TO:

AERA ENERGY LLC
PO BOX 11164
BAKERSFIELD, CA 93389-1164

SJVAPCD
34946 Flyover Court
Bakersfield, CA 93308

Thank You!



San Joaquin Valley
AIR POLLUTION CONTROL DISTRICT

SJVAPCD Tax ID: 77-0262563

AERA ENERGY LLC
HEAVY OIL WESTERN STATIONARY SOURCE
KERN COUNTY, CA

Facility ID
S1547

Invoice Date
11/7/2011

Invoice Number
S97092

Invoice Type
Project: S1110556

PROJECT NUMBER: 1110556

APPLICATION FILING FEES	\$ 71.00
ENGINEERING TIME FEES	\$ 2,529.00
TOTAL FEES	\$ 2,600.00
LESS PREVIOUSLY PAID PROJECT FEES APPLIED TO THIS INVOICE	(\$ 71.00)
PROJECT FEES DUE (Enclosed is a detailed statement outlining the fees for each item.)	\$ 2,529.00

Late Payment (see Rule 3010, Section 11.0 Late Fees)	
Postmarked	Total Due
After 1/6/2012 through 1/16/2012	\$ 2,781.90
After 1/16/2012	\$ 3,793.50
After 2/5/2012	Permits To Operate MAY BE SUSPENDED

San Joaquin Valley Air Pollution Control District
34946 Flyover Court, Bakersfield, CA 93308, (661) 392-5500, Fax (661) 392-5585

Invoice Detail

Facility ID: S1547

AERA ENERGY LLC
 HEAVY OIL WESTERN STATIONARY SOURCE
 KERN COUNTY, CA

Invoice Nbr: S97092
 Invoice Date: 11/7/2011
 Page: 1

Application Filing Fees

Project Nbr	Permit Number	Description	Application Fee
S1110556	S-1547-414-10	MODIFICATION OF 49 MMBTU/HR KALDAIR MODEL P-20-E PIPE STANDBY FLARE, SULFATREAT VESSEL, AND GAS HYDRATING AND DRAIN SYSTEM (A/F DEHY): REPLACE ONE EXISTING 12-FOOT DIAMETER SULFATREAT VESSEL WITH UP TO TWO 8-FOOT DIAMETER SULFATREAT VESSELS AND REMOVE REFERENCE TO THE GAS HYDRATING AND DRAIN SYSTEM	\$ 71.00
Total Application Filing Fees:			\$ 71.00

Engineering Time Fees

Project Nbr	Quantity	Rate	Description	Fee
S1110556	26 hours	\$ 100.00 /h	Standard Engineering Time	\$ 2,600.00
			Less Credit For Application Filing Fees	(\$ 71.00)
			Standard Engineering Time SubTotal	\$ 2,529.00
Total Engineering Time Fees:				\$ 2,529.00