



MAR 07 2012

Raymond Rodriguez
Occidental of Elk Hills Inc.
10800 Stockdale Hwy
Bakersfield, CA 93311

**Re: Notice of Minor Title V Permit Modification
District Facility # S-382
Project # S-1113926**

Dear Mr. Rodriguez:

Enclosed is the District's analysis of your application for minor Title V permit modification for the facility identified above. You proposed a Title V minor permit modification to incorporate recently issued S-382-136-18 and '-814-0 into the Title V operating permit. The project is for the installation of one 21,000 gallon fixed-roof salt water tank (S-382-814) and to connect it to the vapor control system listed on permit S-382-136.

Enclosed is the engineering evaluation with the following attachments: proposed modified Title V permit, recently issued S-382-136-18 and '-814-0, emission increases, application, and previous Title V permit. This project will be subject to a 45-day EPA commenting period prior to the District taking final action.

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

Sincerely,

David Warner
Director of Permit Services

Enclosures

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



MAR 07 2012

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

Re: **Notice of Minor Title V Permit Modification**
District Facility # S-382
Project # S-1113926

Dear Mr. Rios:

Enclosed for you to review is an application for minor Title V permit modification for the facility identified above. Occidental of Elk Hills Inc. is proposing a Title V minor permit modification to incorporate the recently issued S-382-136-18 and '-814-0 into the Title V operating permit. The project is for the installation of one 21,000 gallon fixed-roof salt water tank (S-382-814) and to connect it to the vapor control system listed on permit S-382-136.

Enclosed is the engineering evaluation with the following attachments: proposed modified Title V permit, recently issued S-382-136-18 and '-814-0, emission increases, application, and previous Title V permit. Please submit your written comments on this project within the 45-day comment period that begins on the date you receive this letter.

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

Sincerely,



David Warner
Director of Permit Services

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

TITLE V APPLICATION REVIEW

Minor Modification
Project #: S-1113926

Engineer: Homero Ramirez
Date: March 6, 2012

Facility Number: S-382
Facility Name: Occidental of Elk Hills Inc.
Mailing Address: 10800 Stockdale Hwy
Bakersfield, CA 93311

JR 3/7/12

Contact Name: Raymond Rodriguez
Phone: (661) 412-5263

Responsible Official: Mike Glavin
Title: HES Environmental Team Lead

I. PROPOSAL

Occidental of Elk Hills Inc. is proposing a Title V minor permit modification to incorporate the recently issued Authorities to Construct (ATC) S-382-136-18 and '814-0 into the Title V operating permit. The Authorities to Construct are for the installation of one 21,000 gallon fixed-roof salt water tank (S-382-814) and to connect it to the vapor control system listed on permit S-382-136.

The purpose of this evaluation is to identify all applicable requirements, determine if the facility will comply with the applicable requirements and to provide the legal and factual basis for the proposed revisions.

II. FACILITY LOCATION

The equipment is located in Occidental of Elk Hills Inc.'s Light Oil Western stationary source (S-382) in Section 10 of Township 31S, Range 24E.

III. EQUIPMENT DESCRIPTION

S-382-136-20: 672,000 GALLON DEHYDRATION TANK UNX #11103 (10G DEHYDRATION TRAIN) SERVED BY VAPOR CONTROL SYSTEM WITH ONE 100 HP VAPOR COMPRESSOR, ONE 150 HP VAPOR COMPRESSOR, ONE 30 HP OIL TRANSFER PUMP, TWO 40 HP OIL TRANSFER PUMPS,

THREE 30 HP WATER PUMPS, AND ONE FREE-WATER
 KNOCKOUT VESSEL

S-382-814-1: 21,000 GALLON FIXED ROOF SALT WATER TANK (10G DEHYDRATION TRAIN) INCLUDING SHARED EQUIPMENT AND VAPOR CONTROL SYSTEM LISTED ON PERMIT S-382-136

IV. SCOPE OF EPA AND PUBLIC REVIEW

This change to a Title V permit is considered to be a minor modification and, as such, requires no public review.

V. APPLICABLE REQUIREMENTS

District Rule 2520, Federally Mandated Operating Permits (Adopted June 21, 2001)

VI. DESCRIPTION OF PROPOSED MODIFICATIONS

Occidental of Elk Hills Inc. proposes to install one 21,000 gallon fixed-roof salt water tank (S-382-814) and to connect it to the vapor control system listed on permit S-382-136. The new tank will replace salt water tank (S-382-398), which has been removed from service and its permit has been cancelled.

The following are the proposed permit changes to the proposed PTOs based on the ATCs and current PTOs:

S-382-136:

Current PTO S-382-136-17	Proposed PTO S-382-136-18	Condition New, Modified, Deleted	Description of Change
Condition #	Condition #		
1-15 and 17-28	1-27		Some conditions have been renumbered.
16	--	Removed	This condition, which specifies the approved method for calculating fugitive VOC emissions, was removed since requirements of this condition are already specified by condition #11 on the current permit.

S-382-814:

This is a new permit unit, so there is no current permit to compare to. The ATC has conditions requiring the concurrent implementation of S-382-136-18 and -814-0 and that permit S-382-398 be cancelled. Those actions have been implemented, so those conditions will not be carried onto the proposed PTO.

VII. COMPLIANCE

In accordance with Rule 2520, 3.20, these modifications:

1. Do not violate requirements of any applicable federally enforceable local or federal requirement;
2. Do not relax monitoring, reporting, or recordkeeping requirements in the permit and are not significant changes in existing monitoring permit terms or conditions;
3. Do not require or change a case-by-case determination of an emission limitation or other standard, or a source-specific determination for temporary sources of ambient impacts, or a visibility or increment analysis;
4. Do not seek to establish or change a permit term or condition for which there is no corresponding underlying applicable requirement and that the source has assumed to avoid an applicable requirement to which the source would otherwise be subject. Such terms and conditions include:
 - a. A federally enforceable emission cap assumed to avoid classification as a modification under any provisions of Title I of the Federal Clean Air Act; and
 - b. An alternative emissions limit approved pursuant to regulations promulgated under section 112(i)(5) of the Federal Clean Air Act; and
5. Are not Title I modifications as defined in District Rule 2520 or modifications as defined in section 111 or 112 of the Federal Clean Air Act; and
6. Do not seek to consolidate overlapping applicable requirements.

In accordance with Rule 2520, the application meets the procedural requirements of section 11.4 by including:

1. A description of the change, the emissions resulting from the change, and any new applicable requirements that will apply if the change occurs;
2. The source's suggested draft permit; and

3. Certification by a responsible official that the proposed modification meets the criteria for use of minor permit modification procedures and a request that such procedures be used.

VIII. ATTACHMENTS

- A. Proposed Modified Title V Operating Permit No. S-382-136-20 and -814-1
- B. Authorities to Construct No. S-382-136-18 and -814-0
- C. Application
- D. Previous Title V Operating Permit No. S-382-136-17

ATTACHMENT A

Proposed Modified Title V Operating Permit No.
S-382-136-20 and -814-1

San Joaquin Valley Air Pollution Control District

PERMIT UNIT: S-382-136-20

EXPIRATION DATE: 10/31/2016

SECTION: 10 **TOWNSHIP:** 31S **RANGE:** 24E

EQUIPMENT DESCRIPTION:

672,000 GALLON DEHYDRATION TANK UNX #11103 (10G DEHYDRATION TRAIN) SERVED BY VAPOR CONTROL SYSTEM WITH ONE 100 HP VAPOR COMPRESSOR, ONE 150 HP VAPOR COMPRESSOR, ONE 30 HP OIL TRANSFER PUMP, TWO 40 HP OIL TRANSFER PUMPS, THREE 30 HP WATER PUMPS, AND ONE FREE-WATER KNOCKOUT VESSEL

PERMIT UNIT REQUIREMENTS

1. Components subject to District Rule 4409 (amended April 20, 2005) shall be inspected for leaks at least quarterly using a portable hydrocarbon detection instrument. Any vapor leak greater than 7,500 ppmv, when measured with a portable hydrocarbon detection instrument calibrated with methane in accordance with EPA Method 21, or condensate leaking at a rate of greater than 3 drops of liquid per minute shall be repaired in a manner consistent with the procedures specified in Rule 4409 Section 5.3. [District Rule 2201] Federally Enforceable Through Title V Permit
2. The vapor recovery system shall consist of a closed vent system that collects all VOCs from the storage tank and collected vapors shall be routed to a gas gathering system that connects to 35R gas plant (S-2234) inlet piping. The vapor recovery system shall be APCO-approved and maintained in a Leak-Free condition. [District Rules 2201 and 4623, 5.6.1] Federally Enforceable Through Title V Permit
3. Compliance with permit conditions in the Title V permit shall be deemed compliance with District Rule 4623 (amended May 19, 2005). A permit shield is granted from this requirement. [District Rule 2520, 13.2] Federally Enforceable Through Title V Permit
4. This unit commenced construction, modification, or reconstruction before May 19, 1978, and is used for petroleum or condensate stored, processed and/or treated at a drilling and production facility prior to custody transfer. Therefore, the requirements of 40CFR 60 Subpart K, Ka and Kb do not apply to this source. A permit shield is granted from these requirements. [District Rule 2520, 13.2] Federally Enforceable Through Title V Permit
5. {1741} This unit does not store organic materials which are liquid at standard conditions and which are used as solvents, viscosity reducers, or cleaning agents. Tank emissions are fugitive emissions not considered to come from a point source. Therefore, the requirements of District Rules 4661 (as amended May 16, 2002) and 4801 (as amended December 17, 1992) do not apply to this source. A permit shield is granted from these requirements. [District Rule 2520, 13.2] Federally Enforceable Through Title V Permit
6. Vapor control system shall include one vapor recovery line with one pressure control valve regulated by tank pressure sensing line, and piping from vapor recovery line to gas compressors or field vacuum gas gathering system. [District Rule 2201] Federally Enforceable Through Title V Permit
7. Test separators, pool separators, and gas scrubbers shall not vent to atmosphere except during a breakdown condition pursuant to Rule 1100. [District Rule 2201] Federally Enforceable Through Title V Permit
8. The emergency stand-by system, including the knockout tank and drain tank shall not vent gas except during a breakdown condition pursuant to Rule 1100. [District Rule 2201] Federally Enforceable Through Title V Permit

PERMIT UNIT REQUIREMENTS CONTINUE ON NEXT PAGE
These terms and conditions are part of the Facility-wide Permit to Operate.

9. All tank roof vents, gauge hatches, and breather valves shall be designed and maintained at a minimum release pressure of 1.5 oz./sq.in. and vacuum of 0.5 oz./sq.in. [District Rule 2201] Federally Enforceable Through Title V Permit
10. The gas blanket supply line shall be closed before the Leak-Free (as defined in Rule 4623, amended May 19, 2005) seal is broken on any tank with vapor recovery system, including opening the tanks for any reason. [District Rule 4623] Federally Enforceable Through Title V Permit
11. Fugitive VOC emissions rate, calculated using CAPCOA California Implementation Guidelines for Estimating Mass Emissions of Fugitive Hydrocarbon Leaks at Petroleum Facilities Table IV-2c less than or equal to 10,000 ppm (Feb 1999), from the total number of tank components and vapor control system components shall not exceed 2.6 lb/day. [District Rule 2201] Federally Enforceable Through Title V Permit
12. {2606} The operator shall ensure that the vapor recovery system is functional and is operating as designed at all times. [District Rule 2520, 9.3.2] Federally Enforceable Through Title V Permit
13. All tank gauging or sampling device on a tank vented to the vapor recovery system shall be equipped with a leak free cover which shall be closed at all times except during gauging or sampling. [District Rule 4623, 5.6.2] Federally Enforceable Through Title V Permit
14. All piping, valves, and fittings shall be constructed and maintained in a leak-free condition. [District Rule 4623, 5.6.3] Federally Enforceable Through Title V Permit
15. A leak-free condition is defined as a condition without a gas leak or a liquid leak. A gas leak is defined as a reading in excess of 10,000 parts per million by volume (ppmv), as methane, above background on a portable hydrocarbon detection instrument that is calibrated to methane in accordance with the procedures specified in EPA Test Method 21. A liquid leak is defined as the dripping of organic liquid at a rate more than 3 drops per minute. A gas or liquid leak is a violation of this permit and Rule 4623 and shall be reported as a deviation. [District Rule 4623] Federally Enforceable Through Title V Permit
16. Operator shall visually inspect tank shell, hatches, seals, seams, cable seals, valves, flanges, connectors, and any other piping components directly affixed to the tank and within five feet of the tank at least once per year for liquid leaks, and with a portable hydrocarbon detection instrument conducted in accordance with EPA Method 21 for gas leaks. Operator shall also visually or ultrasonically inspect as appropriate, the external shells and roofs of uninsulated tanks for structural integrity annually. [District Rule 4623, 5.7 (Table 3)] Federally Enforceable Through Title V Permit
17. Upon detection of a liquid leak, defined as a leak rate of greater than or equal to 30 drops per minute, operator shall repair the leak within 8 hours. For leaks with a liquid leak rate of between 3 and 30 drops per minute, the leaking component shall be repaired within 24 hours after detection. [District Rules 4623, 5.7 (Table 3)] Federally Enforceable Through Title V Permit
18. Upon detection of a gas leak, defined as a VOC concentration of greater than 10,000 ppmv measured in accordance with EPA Method 21, operator shall take one of the following actions: 1) eliminate the leak within 8 hours after detection; or 2) if the leak cannot be eliminated, then minimize the leak to the lowest possible level within 8 hours after detection by using best maintenance practices, and eliminate the leak within 48 hours after minimization. In no event shall the total time to minimize and eliminate a leak exceed 56 hours after detection. [District Rule 4623, 5.7 (Table 3)] Federally Enforceable Through Title V Permit
19. Components found to be leaking either liquids or gases shall be immediately affixed with a tag showing the component to be leaking. Operator shall maintain records of the liquid or gas leak detection readings, date/time the leak was discovered, and date/time the component was repaired to a leak-free condition. [District Rule 4623, 5.7 (Table 3)] Federally Enforceable Through Title V Permit
20. Leaking components that have been discovered by the operator that have been immediately tagged and repaired within the timeframes specified in District Rule 4623, Table 3 shall not constitute a violation of this rule. However, leaking components discovered during inspections by District staff that were not previously identified and/or tagged by the operator, and/or any leaks that were not repaired within specified timeframes, shall constitute a violation of the District Rule 4623 (amended May 19, 2005). [District Rule 4623, 5.7 (Table 3)] Federally Enforceable Through Title V Permit

PERMIT UNIT REQUIREMENTS CONTINUE ON NEXT PAGE
These terms and conditions are part of the Facility-wide Permit to Operate.

21. If a component type for a given tank is found to leak during an annual inspection, then conduct quarterly inspections of that component type on the tank or tank system for four consecutive quarters. If a component type is found to have no leak after four consecutive quarterly inspections, then revert to annual inspections. [District Rule 4623, 5.7 (Table 3)] Federally Enforceable Through Title V Permit
22. Any component found to be leaking on two consecutive annual inspections is in violation of the District Rule 4623 (amended May 19, 2005), even if it is under the voluntary inspection and maintenance program. [District Rule 4623, 5.7 (Table 3)] Federally Enforceable Through Title V Permit
23. Permittee shall keep in their facility at all times a copy of the letter sent to the APCO requesting participation in the Rule 4623 Fixed Roof Tank Preventive Inspection and Maintenance Program, and Tank Interior Cleaning Program, and maintain the records of annual tank inspections, maintenance, and cleaning to document the participation in the program. [District Rule 4623, 5.7] Federally Enforceable Through Title V Permit
24. Permittee shall comply with all applicable Tank Interior Cleaning Program requirements specified in Section 5.7 of Rule 4623. [District Rule 4623, 5.7] Federally Enforceable Through Title V Permit
25. Operator shall maintain an inspection log containing the following 1) Type of component leaking; 2) Date of leak detection, and method of detection; 3) Date and emission level of recheck after leak is repaired; 4) Method used to minimize the leak to lowest possible level within 8 hours after detection. [District Rule 2520, 9.3.2] Federally Enforceable Through Title V Permit
26. Permittee shall maintain records of number and type of components installed and calculated fugitive emissions. Permittee shall update such records when new components are installed. [District Rule 2201] Federally Enforceable Through Title V Permit
27. {941} The operator of a fixed roof tank shall maintain all records of required monitoring data and support information for inspection at any time for a period of five years. [District Rule 2520, 9.4.2] Federally Enforceable Through Title V Permit

These terms and conditions are part of the Facility-wide Permit to Operate.

DRAFT

San Joaquin Valley Air Pollution Control District

PERMIT UNIT: S-382-814-1

EXPIRATION DATE: 10/31/2016

SECTION: SE10 **TOWNSHIP:** 31S **RANGE:** 24E

EQUIPMENT DESCRIPTION:

21,000 GALLON FIXED ROOF SALT WATER TANK (10G DEHYDRATION TRAIN) INCLUDING SHARED EQUIPMENT AND VAPOR CONTROL SYSTEM LISTED ON PERMIT S-382-136

PERMIT UNIT REQUIREMENTS

1. Components subject to District Rule 4409 (amended April 20, 2005) shall be inspected for leaks at least quarterly using a portable hydrocarbon detection instrument. Any vapor leak greater than 7,500 ppmv, when measured with a portable hydrocarbon detection instrument calibrated with methane in accordance with EPA Method 21, or condensate leaking at a rate of greater than 3 drops of liquid per minute shall be repaired in a manner consistent with the procedures specified in Rule 4409 Section 5.3. [District Rule 2201] Federally Enforceable Through Title V Permit
2. There shall be no leaks in excess of 10,000 ppmv when measured with a portable hydrocarbon detection instrument calibrated with methane in accordance with EPA Method 21. [District Rules 2201 and 4623] Federally Enforceable Through Title V Permit
3. Any tank gauging or sampling device shall be equipped with a Leak-Free cover which shall be closed at all times except during gauging or sampling. [District Rule 4623, 5.6.2] Federally Enforceable Through Title V Permit
4. All piping, valves, and fittings shall be constructed and maintained in a Leak-Free condition. [District Rule 4623, 5.6.3] Federally Enforceable Through Title V Permit
5. A Leak-Free condition is defined as a condition without a gas leak or liquid leak. A gas leak is defined as a reading in excess of 10,000 ppmv, above background, as measured by a portable hydrocarbon detection instrument in accordance with the procedures specified in EPA Test Method 21. A reading in excess of 10,000 ppmv above background is a violation of this permit and Rule 4623 (amended May 19, 2005) and shall be reported as a deviation. A liquid leak is defined as the dripping of organic liquid at a rate of more than 3 drops per minutes. [District Rule 4623, 3.11, 3.17, 3.18 and 6.4.8] Federally Enforceable Through Title V Permit
6. Operator shall visually inspect tank shell, hatches, seals, seams, cable seals, valves, flanges, connectors, and any other piping components directly affixed to the tank and within five feet of the tank at least once per year for liquid leaks, and with a portable hydrocarbon detection instrument conducted in accordance with EPA Method 21 for gas leaks. Operator shall also visually or ultrasonically inspect as appropriate, the external shells and roofs of uninsulated tanks for structural integrity annually. [District Rule 4623, 5.7 (Table 3)] Federally Enforceable Through Title V Permit
7. Components found to be leaking either liquids or gases shall be immediately affixed with a tag showing the component to be leaking. Operator shall maintain records of the liquid or gas leak detection readings, date/time the leak was discovered, and date/time the component was repaired to a leak-free condition. [District Rule 4623, 5.7 (Table 3)] Federally Enforceable Through Title V Permit
8. Upon detection of a liquid leak, defined as a leak rate of greater than or equal to 30 drops per minute, operator shall repair the leak within 8 hours. For leaks with a liquid leak rate of between 3 and 30 drops per minute, the leaking component shall be repaired within 24 hours after detection. [District Rules 4623, 5.7 (Table 3)] Federally Enforceable Through Title V Permit

PERMIT UNIT REQUIREMENTS CONTINUE ON NEXT PAGE
These terms and conditions are part of the Facility-wide Permit to Operate.

9. Upon detection of gas leak (VOC concentration >10,000 ppmv, measured in accordance with EPA Method 21), operator shall take on of the following actions: 1) eliminate the leak within 8 hours after detection; or 2) if the leak cannot be eliminated, then minimize the leak to the lowest possible level within 8 hours after detection by using best maintenance practices, and eliminate the leak within 48 hours after minimization. In no event shall the total time to minimize and eliminate a leak exceed 56 hours after detection. [District Rule 4623, 5.7 (Table 3)] Federally Enforceable Through Title V Permit
10. Leaking components that have been discovered by the operator that have been immediately tagged and repaired within the specified timeframes, shall not constitute a violation of the District Rule 4623 (amended May 19, 2005). However, leaking components discovered during inspections by District staff that were not previously identified and/or tagged by the operator, and/or any leaks that were not repaired within specified timeframes, shall constitute a violation of the District Rule 4623 (amended May 19, 2005). [District Rule 4623, 5.7 (Table 3)] Federally Enforceable Through Title V Permit
11. If a component type for a given tank is found to leak during an annual inspection, then conduct quarterly inspections of that component type on the tank or tank system for four consecutive quarters. If a component type is found to have no leak after four consecutive quarterly inspections, then revert to annual inspections. [District Rule 4623, 5.7 (Table 3)] Federally Enforceable Through Title V Permit
12. Any component found to be leaking on two consecutive annual inspections is in violation of the District Rule 4623 (amended May 19, 2005), even if it is under the voluntary inspection and maintenance program. [District Rule 4623, 5.7 (Table 3)] Federally Enforceable Through Title V Permit
13. Operator shall maintain an inspection log containing the following 1) Type of component leaking; 2) Date of leak detection, and method of detection; 3) Date and emission level of recheck after leak is repaired; 4) Method used to minimize the leak to lowest possible level within 8 hours after detection. [District Rule 2520, 9.3.2] Federally Enforceable Through Title V Permit
14. The operator shall ensure that the vapor recovery system is functional and is operating as designed at all times and shall monitor vapor recovery compressor activation and shut off manometer pressures on quarterly basis to ensure that compressor activation pressure does not exceed tank and vapor recovery pressure relief valve setting. [District Rule 2520, 9.3.2] Federally Enforceable Through Title V Permit
15. {941} The operator of a fixed roof tank shall maintain all records of required monitoring data and support information for inspection at any time for a period of five years. [District Rule 2520, 9.4.2] Federally Enforceable Through Title V Permit
16. Compliance with permit conditions in the Title V permit shall be deemed compliance with District Rule 4623 (amended May 19, 2005). A permit shield is granted from this requirement. [District Rule 2520, 13.2] Federally Enforceable Through Title V Permit
17. This unit commenced construction, modification, or reconstruction before May 19, 1978, and is used for petroleum or condensate stored, processed and/or treated at a drilling and production facility prior to custody transfer. Therefore, the requirements of 40 CFR 60 Subpart K, Ka and Kb do not apply to this source. A permit shield is granted from these requirements. [District Rule 2520, 13.2] Federally Enforceable Through Title V Permit
18. {1741} This unit does not store organic materials which are liquid at standard conditions and which are used as solvents, viscosity reducers, or cleaning agents. Tank emissions are fugitive emissions not considered to come from a point source. Therefore, the requirements of District Rules 4661 (as amended May 16, 2002) and 4801 (as amended December 17, 1992) do not apply to this source. A permit shield is granted from these requirements. [District Rule 2520, 13.2] Federally Enforceable Through Title V Permit
19. Fugitive VOC emissions rate, calculated using CAPCOA California Implementation Guidelines for Estimating Mass Emissions of Fugitive Hydrocarbon Leaks at Petroleum Facilities Table IV-2c less than or equal to 10,000 ppm (Feb 1999), from the total number of tank components shall not exceed 0.1 lb/day. [District Rule 2201] Federally Enforceable Through Title V Permit

PERMIT UNIT REQUIREMENTS CONTINUE ON NEXT PAGE
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20. Permittee shall maintain with the permit accurate fugitive component counts and component types for this tank and the associated tank vapor control system and resulting emissions calculated using CAPCOA's "California Implementation Guidelines for Estimating Mass Emissions of Fugitive Hydrocarbon Leaks at Petroleum Facilities," Table IV-2c (Feb 1999) Screening Value Range emission factors. [District Rule 2201]

These terms and conditions are part of the Facility-wide Permit to Operate.

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ATTACHMENT B

Authorities to Construct No.
S-382-136-18 and -814-0



AUTHORITY TO CONSTRUCT

PERMIT NO: S-382-136-18

ISSUANCE DATE: 05/18/2011

LEGAL OWNER OR OPERATOR: OCCIDENTAL OF ELK HILLS INC
MAILING ADDRESS: 10800 STOCKDALE HIGHWAY
BAKERSFIELD, CA 93311

LOCATION: LIGHT OIL WESTERN STATIONARY SOURCE
KERN COUNTY, CA

SECTION: 10 TOWNSHIP: 31S RANGE: 24E

EQUIPMENT DESCRIPTION:

MODIFICATION OF 672,000 GALLON DEHYDRATION TANK UNX #11103 (10G DEHYDRATION TRAIN) SERVED BY VAPOR CONTROL SYSTEM WITH ONE 100 HP VAPOR CONTROL COMPRESSOR, ONE 150 HP VAPOR COMPRESSORS, ONE 30 HP OIL TRANSFER PUMP, TWO 40 HP OIL TRANSFER PUMPS, THREE 30 HP WATER PUMPS, AND ONE FREE-WATER KNOCKOUT VESSEL: CONNECT TANK S-382-814 TO THE VAPOR CONTROL SYSTEM AND UPDATE THE LIST OF TANKS SERVED BY VAPOR CONTROL SYSTEM TO INCLUDE S-382-111, '-263, '-265, '-320, '-321, '-399, '-400, '-703, AND '-814

CONDITIONS

1. The facility shall submit an application to modify the Title V permit in accordance with the timeframes and procedures of District Rule 2520. [District Rule 2520] Federally Enforceable Through Title V Permit
2. Components subject to District Rule 4409 (amended April 20, 2005) shall be inspected for leaks at least quarterly using a portable hydrocarbon detection instrument. Any vapor leak greater than 7,500 ppmv, when measured with a portable hydrocarbon detection instrument calibrated with methane in accordance with EPA Method 21, or condensate leaking at a rate of greater than 3 drops of liquid per minute shall be repaired in a manner consistent with the procedures specified in Rule 4409 Section 5.3. [District NSR Rule] Federally Enforceable Through Title V Permit
3. There shall be no leaks in excess of 10,000 ppmv when measured with a portable hydrocarbon detection instrument calibrated with methane in accordance with EPA Method 21. [District NSR Rule and 4623] 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

4. The vapor recovery system shall consist of a closed vent system that collects all VOCs from the storage tank and collected vapors shall be routed to a gas gathering system that connects to 35R gas plant (S-2234) inlet piping. The vapor recovery system shall be APCO-approved and maintained in a Leak-Free condition. [District NSR Rule and District Rule 4623, 5.6.1] Federally Enforceable Through Title V Permit
5. Any tank gauging or sampling device shall be equipped with a Leak-Free cover which shall be closed at all times except during gauging or sampling. [District Rule 4623, 5.6.2] Federally Enforceable Through Title V Permit
6. All piping, valves, and fittings shall be constructed and maintained in a Leak-Free condition. [District Rule 4623, 5.6.3] Federally Enforceable Through Title V Permit
7. A Leak-Free condition is defined as a condition without a gas leak or liquid leak. A gas leak is defined as a reading in excess of 10,000 ppmv, above background, as measured by a portable hydrocarbon detection instrument in accordance with the procedures specified in EPA Test Method 21. A reading in excess of 10,000 ppmv above background is a violation of this permit and Rule 4623 (amended May 19, 2005) and shall be reported as a deviation. A liquid leak is defined as the dripping of organic liquid at a rate of more than 3 drops per minutes. [District Rule 4623, 3.11, 3.17, 3.18 and 6.4.8] Federally Enforceable Through Title V Permit
8. Operator shall visually inspect tank shell, hatches, seals, seams, cable seals, valves, flanges, connectors, and any other piping components directly affixed to the tank and within five feet of the tank at least once per year for liquid leaks, and with a portable hydrocarbon detection instrument conducted in accordance with EPA Method 21 for gas leaks. Operator shall also visually or ultrasonically inspect as appropriate, the external shells and roofs of uninsulated tanks for structural integrity annually. [District Rule 4623, 5.7 (Table 3)] Federally Enforceable Through Title V Permit
9. Components found to be leaking either liquids or gases shall be immediately affixed with a tag showing the component to be leaking. Operator shall maintain records of the liquid or gas leak detection readings, date/time the leak was discovered, and date/time the component was repaired to a leak-free condition. [District Rule 4623, 5.7 (Table 3)] Federally Enforceable Through Title V Permit
10. Upon detection of a liquid leak, defined as a leak rate of greater than or equal to 30 drops per minute, operator shall repair the leak within 8 hours. For leaks with a liquid leak rate of between 3 and 30 drops per minute, the leaking component shall be repaired within 24 hours after detection. [District Rules 4623, 5.7 (Table 3)] Federally Enforceable Through Title V Permit
11. Upon detection of gas leak (VOC concentration >10,000 ppmv, measured in accordance with EPA Method 21), operator shall take on of the following actions: 1) eliminate the leak within 8 hours after detection; or 2) if the leak cannot be eliminated, then minimize the leak to the lowest possible level within 8 hours after detection by using best maintenance practices, and eliminate the leak within 48 hours after minimization. In no event shall the total time to minimize and eliminate a leak exceed 56 hours after detection. [District Rules 4623, 5.7 (Table 3)] Federally Enforceable Through Title V Permit
12. Leaking components that have been discovered by the operator that have been immediately tagged and repaired within the specified timeframes, shall not constitute a violation of the District Rule 4623 (amended May 19, 2005). However, leaking components discovered during inspections by District staff that were not previously identified and/or tagged by the operator, and/or any leaks that were not repaired within specified timeframes, shall constitute a violation of the District Rule 4623 (amended May 19, 2005). [District Rule 4623, 5.7 (Table 3)] Federally Enforceable Through Title V Permit
13. If a component type for a given tank is found to leak during an annual inspection, then conduct quarterly inspections of that component type on the tank or tank system for four consecutive quarters. If a component type is found to have no leak after four consecutive quarterly inspections, then revert to annual inspections. [District Rule 4623, 5.7 (Table 3)] Federally Enforceable Through Title V Permit
14. Any component found to be leaking on two consecutive annual inspections is in violation of the District Rule 4623 (amended May 19, 2005), even if it is under the voluntary inspection and maintenance program. [District Rule 4623, 5.7 (Table 3)] Federally Enforceable Through Title V Permit
15. Operator shall maintain an inspection log containing the following 1) Type of component leaking; 2) Date of leak detection, and method of detection; 3) Date and emission level of recheck after leak is repaired; 4) Method used to minimize the leak to lowest possible level within 8 hours after detection. [District Rule 2520, 9.3.2] Federally Enforceable Through Title V Permit

CONDITIONS CONTINUE ON NEXT PAGE

16. The operator shall ensure that the vapor recovery system is functional and is operating as designed at all times and shall monitor vapor recovery compressor activation and shut off manometer pressures on quarterly basis to ensure that compressor activation pressure does not exceed tank and vapor recovery pressure relief valve setting. [District Rule 2520, 9.3.2] Federally Enforceable Through Title V Permit
17. The operator of a fixed roof tank shall maintain all records of required monitoring data and support information for inspection at any time for a period of five years. [District Rule 2520, 9.4.2] Federally Enforceable Through Title V Permit
18. Compliance with permit conditions in the Title V permit shall be deemed compliance with District Rule 4623 (amended May 19, 2005). A permit shield is granted from this requirement. [District Rule 2520, 13.2] Federally Enforceable Through Title V Permit
19. This unit commenced construction, modification, or reconstruction before May 19, 1978, and is used for petroleum or condensate stored, processed and/or treated at a drilling and production facility prior to custody transfer. Therefore, the requirements of 40CFR 60 Subpart K, Ka and Kb do not apply to this source. A permit shield is granted from these requirements. [District Rule 2520, 13.2] Federally Enforceable Through Title V Permit
20. This unit does not store organic materials which are liquid at standard conditions and which are used as solvers, viscosity reducers, or cleaning agents. Tank emissions are fugitive emissions not considered to come from a point source. Therefore, the requirements of District Rules 4661 (as amended May 16, 2002) and 4801 (as amended December 17, 1992) do not apply to this source. A permit shield is granted from these requirements. [District Rule 2520, 13.2] Federally Enforceable Through Title V Permit
21. Vapor control system shall include one vapor recovery line with one pressure control valve regulated by tank pressure sensing line, and piping from vapor recovery line to gas compressors or field vacuum gas gathering system. [District NSR Rule] Federally Enforceable Through Title V Permit
22. Test separators, pool separators, and gas scrubbers shall not vent to atmosphere except during a breakdown condition pursuant to Rule 1100. [District NSR Rule] Federally Enforceable Through Title V Permit
23. The emergency stand-by system, including the knockout tank and drain tank shall not vent gas except during a breakdown condition pursuant to Rule 1100. [District NSR Rule] Federally Enforceable Through Title V Permit
24. All tank roof vents, gauge hatches, and breather valves shall be designed and maintained at a minimum release pressure of 1.5 oz./sq.in. and vacuum of 0.5 oz./sq.in. [District NSR Rule] Federally Enforceable Through Title V Permit
25. The gas blanket supply line shall be closed before the Leak-Free (as defined in Rule 4623, amended May 19, 2005) seal is broken on any tank with vapor recovery system, including opening the tanks for any reason. [District Rule 4623] Federally Enforceable Through Title V Permit
26. Fugitive VOC emissions rate, calculated using CAPCOA California Implementation Guidelines for Estimating Mass Emissions of Fugitive Hydrocarbon Leaks at Petroleum Facilities Table IV-2c less than or equal to 10,000 ppm (Feb 1999), from the total number of tank components and vapor control system components shall not exceed 2.6 lb/day. [District NSR Rule] Federally Enforceable Through Title V Permit
27. Permittee shall maintain with the permit accurate fugitive component counts and component types for this tank and the associated tank vapor control system and resulting emissions calculated using CAPCOA's "California Implementation Guidelines for Estimating Mass Emissions of Fugitive Hydrocarbon Leaks at Petroleum Facilities," Table IV-2c (Feb 1999) Screening Value Range emission factors. [District Rule 2201]
28. Authorities to Construct (ATC) S-382-136-18 and S-382-814-0 shall be implemented concurrently. [District Rule 2201]



AUTHORITY TO CONSTRUCT

PERMIT NO: S-382-814-0

ISSUANCE DATE: 05/18/2011

LEGAL OWNER OR OPERATOR: OCCIDENTAL OF ELK HILLS INC
MAILING ADDRESS: 10800 STOCKDALE HIGHWAY
BAKERSFIELD, CA 93311

LOCATION: LIGHT OIL WESTERN STATIONARY SOURCE
KERN COUNTY, CA

SECTION: SE10 **TOWNSHIP:** 31S **RANGE:** 24E

EQUIPMENT DESCRIPTION:

21,000 GALLON FIXED ROOF SALT WATER TANK (10G DEHYDRATION TRAIN) INCLUDING SHARED EQUIPMENT AND VAPOR CONTROL SYSTEM LISTED ON PERMIT S-382-136 (REPLACEMENT FOR S-382-398)

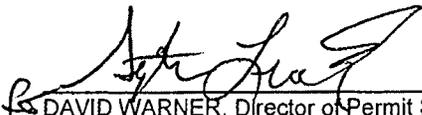
CONDITIONS

1. The facility shall submit an application to modify the Title V permit in accordance with the timeframes and procedures of District Rule 2520. [District Rule 2520] Federally Enforceable Through Title V Permit
2. Components subject to District Rule 4409 (amended April 20, 2005) shall be inspected for leaks at least quarterly using a portable hydrocarbon detection instrument. Any vapor leak greater than 7,500 ppmv, when measured with a portable hydrocarbon detection instrument calibrated with methane in accordance with EPA Method 21, or condensate leaking at a rate of greater than 3 drops of liquid per minute shall be repaired in a manner consistent with the procedures specified in Rule 4409 Section 5.3. [District NSR Rule] Federally Enforceable Through Title V Permit
3. There shall be no leaks in excess of 10,000 ppmv when measured with a portable hydrocarbon detection instrument calibrated with methane in accordance with EPA Method 21. [District NSR Rule and 4623] Federally Enforceable Through Title V Permit
4. Any tank gauging or sampling device shall be equipped with a Leak-Free cover which shall be closed at all times except during gauging or sampling. [District Rule 4623, 5.6.2] Federally Enforceable Through Title V Permit
5. All piping, valves, and fittings shall be constructed and maintained in a Leak-Free condition. [District Rule 4623, 5.6.3] 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

6. A Leak-Free condition is defined as a condition without a gas leak or liquid leak. A gas leak is defined as a reading in excess of 10,000 ppmv, above background, as measured by a portable hydrocarbon detection instrument in accordance with the procedures specified in EPA Test Method 21. A reading in excess of 10,000 ppmv above background is a violation of this permit and Rule 4623 (amended May 19, 2005) and shall be reported as a deviation. A liquid leak is defined as the dripping of organic liquid at a rate of more than 3 drops per minutes. [District Rule 4623, 3.11, 3.17, 3.18 and 6.4.8] Federally Enforceable Through Title V Permit
7. Operator shall visually inspect tank shell, hatches, seals, seams, cable seals, valves, flanges, connectors, and any other piping components directly affixed to the tank and within five feet of the tank at least once per year for liquid leaks, and with a portable hydrocarbon detection instrument conducted in accordance with EPA Method 21 for gas leaks. Operator shall also visually or ultrasonically inspect as appropriate, the external shells and roofs of uninsulated tanks for structural integrity annually. [District Rule 4623, 5.7 (Table 3)] Federally Enforceable Through Title V Permit
8. Components found to be leaking either liquids or gases shall be immediately affixed with a tag showing the component to be leaking. Operator shall maintain records of the liquid or gas leak detection readings, date/time the leak was discovered, and date/time the component was repaired to a leak-free condition. [District Rule 4623, 5.7 (Table 3)] Federally Enforceable Through Title V Permit
9. Upon detection of a liquid leak, defined as a leak rate of greater than or equal to 30 drops per minute, operator shall repair the leak within 8 hours. For leaks with a liquid leak rate of between 3 and 30 drops per minute, the leaking component shall be repaired within 24 hours after detection. [District Rules 4623, 5.7 (Table 3)] Federally Enforceable Through Title V Permit
10. Upon detection of gas leak (VOC concentration >10,000 ppmv, measured in accordance with EPA Method 21), operator shall take on of the following actions: 1) eliminate the leak within 8 hours after detection; or 2) if the leak cannot be eliminated, then minimize the leak to the lowest possible level within 8 hours after detection by using best maintenance practices, and eliminate the leak within 48 hours after minimization. In no event shall the total time to minimize and eliminate a leak exceed 56 hours after detection. [District Rules 4623, 5.7 (Table 3)] Federally Enforceable Through Title V Permit
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14. Operator shall maintain an inspection log containing the following 1) Type of component leaking; 2) Date of leak detection, and method of detection; 3) Date and emission level of recheck after leak is repaired; 4) Method used to minimize the leak to lowest possible level within 8 hours after detection. [District Rule 2520, 9.3.2] Federally Enforceable Through Title V Permit
15. The operator shall ensure that the vapor recovery system is functional and is operating as designed at all times and shall monitor vapor recovery compressor activation and shut off manometer pressures on quarterly basis to ensure that compressor activation pressure does not exceed tank and vapor recovery pressure relief valve setting. [District Rule 2520, 9.3.2] Federally Enforceable Through Title V Permit
16. The operator of a fixed roof tank shall maintain all records of required monitoring data and support information for inspection at any time for a period of five years. [District Rule 2520, 9.4.2] Federally Enforceable Through Title V Permit

CONDITIONS CONTINUE ON NEXT PAGE

17. Compliance with permit conditions in the Title V permit shall be deemed compliance with District Rule 4623 (amended May 19, 2005). A permit shield is granted from this requirement. [District Rule 2520, 13.2] Federally Enforceable Through Title V Permit
18. This unit commenced construction, modification, or reconstruction before May 19, 1978, and is used for petroleum or condensate stored, processed and/or treated at a drilling and production facility prior to custody transfer. Therefore, the requirements of 40 CFR 60 Subpart K, Ka and Kb do not apply to this source. A permit shield is granted from these requirements. [District Rule 2520, 13.2] Federally Enforceable Through Title V Permit
19. This unit does not store organic materials which are liquid at standard conditions and which are used as solvents, viscosity reducers, or cleaning agents. Tank emissions are fugitive emissions not considered to come from a point source. Therefore, the requirements of District Rules 4661 (as amended May 16, 2002) and 4801 (as amended December 17, 1992) do not apply to this source. A permit shield is granted from these requirements. [District Rule 2520, 13.2] Federally Enforceable Through Title V Permit
20. Fugitive VOC emissions rate, calculated using CAPCOA California Implementation Guidelines for Estimating Mass Emissions of Fugitive Hydrocarbon Leaks at Petroleum Facilities Table IV-2c less than or equal to 10,000 ppm (Feb 1999), from the total number of tank components shall not exceed 0.1 lb/day. [District NSR Rule] Federally Enforceable Through Title V Permit
21. Permittee shall maintain with the permit accurate fugitive component counts and component types for this tank and the associated tank vapor control system and resulting emissions calculated using CAPCOA's "California Implementation Guidelines for Estimating Mass Emissions of Fugitive Hydrocarbon Leaks at Petroleum Facilities," Table IV-2c (Feb 1999) Screening Value Range emission factors. [District Rule 2201]
22. Authorities to Construct (ATC) S-382-136-18 and S-382-814-0 shall be implemented concurrently. [District Rule 2201]
23. Permit to Operate S-382-398 shall be cancelled prior to or concurrently with this ATC. [District Rule 2201]

ATTACHMENT C

Application

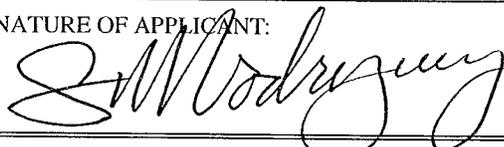
San Joaquin Valley Air Pollution Control District

www.valleyair.org

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 SJVAPCD
 Southern Region

Permit Application For:

ADMINISTRATIVE AMENDMENT MINOR MODIFICATION SIGNIFICANT MODIFICATION

1. PERMIT TO BE ISSUED TO: <p style="text-align: center;">Occidental of Elk Hills, Inc</p>		
2. MAILING ADDRESS: STREET/P.O. BOX: <u>10800 Stockdale Hwy</u> CITY: <u>Bakersfield</u> STATE: <u>CA</u> 9-DIGIT ZIP CODE: <u>93311</u>		
3. LOCATION WHERE THE EQUIPMENT WILL BE OPERATED: STREET: <u>Elk Hills</u> CITY: <u>Tupman</u> _____ ¼ SECTION _____ TOWNSHIP _____ RANGE _____		INSTALLATION DATE:
4. GENERAL NATURE OF BUSINESS: Oil and Natural Gas Production		
5. DESCRIPTION OF EQUIPMENT OR MODIFICATION FOR WHICH APPLICATION IS MADE (include Permit #'s if known, and use additional sheets if necessary) Incorporate following ATCs into S-382 Title V document: <p style="text-align: center;">S-382-136-18 S-382-814-0</p>		
6. TYPE OR PRINT NAME OF APPLICANT: <p style="text-align: center;">Raymond Rodriguez</p>		TITLE OF APPLICANT: <p style="text-align: center;">Sr. Environmental Advisor</p>
7. SIGNATURE OF APPLICANT: 		DATE: <u>September 1, 2011</u> PHONE: (661) 412-5263 FAX: (661) 412-5270 EMAIL: <u>Raymond_rodriguez@oxy.com</u>

For APCD Use Only:

DATE STAMP	FILING FEE RECEIVED: \$ _____ CHECK#: _____ DATE PAID: _____ PROJECT NO: <u>S-1113926</u> FACILITY ID: <u>S-382</u>
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TV MM



OCCIDENTAL OF ELK HILLS, INC.
10800 Stockdale Highway Bakersfield, California 93311
Telephone 661 412-5000

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SEP - 1 2011
SJVAPCD
Southern Region

September 1, 2011

Mr. Leonard Scandura
Permit Services Manager
San Joaquin Valley APCD – Southern Region
34946 Flyover Court
Bakersfield, CA 93308

Subject: Minor Modification to Occidental of Elk Hills, Inc.(OEHI) Title V Permit (S-382)

Dear Mr. Scandura:

Pursuant to Authorities to Construction conditional requirements, Occidental of Elk Hills, Inc. requests District approval for a Minor Modification of facility S-382 Title V Permit to include the following Authorities to Construct:

S-382-136-18 S-382-814-0

Please bill OEHI for all administrative costs associated with this request. If you have any questions or require addition information concerning this issue, please contact me directly at (661) 412-5263 or on my cellular phone at (661) 204-9236.

Yours sincerely,

A handwritten signature in cursive script, appearing to read "Raymond Rodriguez".

Raymond Rodriguez
Sr. Environmental Advisor
Occidental of Elk Hills, Inc.

Cc: Mike Glavin, OEHI
Kevin Madry, ERM

San Joaquin Valley
Unified Air Pollution Control District

RECEIVED
SEP - 1 2011
SJVAPCD
Southern Region

TITLE V MODIFICATION - COMPLIANCE CERTIFICATION FORM

I. TYPE OF PERMIT ACTION (Check appropriate box)

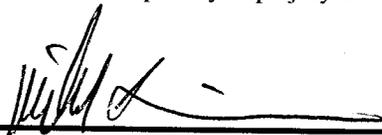
- SIGNIFICANT PERMIT MODIFICATION ADMINISTRATIVE AMENDMENT
 MINOR PERMIT MODIFICATION

COMPANY NAME: Occidental of Elk Hills, Inc	FACILITY ID: S - 382
1. Type of Organization: <input checked="" type="checkbox"/> Corporation <input type="checkbox"/> Sole Ownership <input type="checkbox"/> Government <input type="checkbox"/> Partnership <input type="checkbox"/> Utility	
2. Owner's Name: Occidental of Elk Hills, Inc	
3. Agent to the Owner: Occidental of Elk Hills, Inc.	

II. COMPLIANCE CERTIFICATION (Read each statement carefully and initial all circles for confirmation):

- Based on information and belief formed after reasonable inquiry, the equipment identified in this application will continue to comply with the applicable federal requirement(s).
- Based on information and belief formed after reasonable inquiry, the equipment identified in this application will comply with applicable federal requirement(s) that will become effective during the permit term, on a timely basis.
- Corrected information will be provided to the District when I become aware that incorrect or incomplete information has been submitted.
- Based on information and belief formed after reasonable inquiry, information and statements in the submitted application package, including all accompanying reports, and required certifications are true accurate and complete.

I declare, under penalty of perjury under the laws of the state of California, that the forgoing is correct and true:



Signature of Responsible Official

Mike Glavin

Name of Responsible Official (please print)

HES Environmental Team Lead

Title of Responsible Official (please print)

September 1, 2011

Date

ATTACHMENT D

Previous Title V Operating Permit No.
S-382-136-17

San Joaquin Valley Air Pollution Control District

PERMIT UNIT: S-382-136-17

EXPIRATION DATE: 10/31/2016

SECTION: 10 **TOWNSHIP:** 31S **RANGE:** 24E

EQUIPMENT DESCRIPTION:

672,000 GALLON DEHYDRATION TANK UNX #11103 (10G DEHYDRATION TRAIN) SERVED BY VAPOR CONTROL SYSTEM WITH ONE 100 HP VAPOR CONTROL COMPRESSOR, ONE 150 HP VAPOR COMPRESSORS, ONE 30 HP OIL TRANSFER PUMP, TWO 40 HP OIL TRANSFER PUMPS, THREE 30 HP WATER PUMPS, AND ONE FREE-WATER KNOCKOUT VESSEL

PERMIT UNIT REQUIREMENTS

1. Components subject to District Rule 4409 (amended April 20, 2005) shall be inspected for leaks at least quarterly using a portable hydrocarbon detection instrument. Any vapor leak greater than 7,500 ppmv, when measured with a portable hydrocarbon detection instrument calibrated with methane in accordance with EPA Method 21, or condensate leaking at a rate of greater than 3 drops of liquid per minute shall be repaired in a manner consistent with the procedures specified in Rule 4409 Section 5.3. [District Rule 2201] Federally Enforceable Through Title V Permit
2. The vapor recovery system shall consist of a closed vent system that collects all VOCs from the storage tank and collected vapors shall be routed to a gas gathering system that connects to 35R gas plant (S-2234) inlet piping. The vapor recovery system shall be APCO-approved and maintained in a Leak-Free condition. [District Rules 2201 and 4623, 5.6.1] Federally Enforceable Through Title V Permit
3. Compliance with permit conditions in the Title V permit shall be deemed compliance with District Rule 4623 (amended May 19, 2005). A permit shield is granted from this requirement. [District Rule 2520, 13.2] Federally Enforceable Through Title V Permit
4. This unit commenced construction, modification, or reconstruction before May 19, 1978, and is used for petroleum or condensate stored, processed and/or treated at a drilling and production facility prior to custody transfer. Therefore, the requirements of 40CFR 60 Subpart K, Ka and Kb do not apply to this source. A permit shield is granted from these requirements. [District Rule 2520, 13.2] Federally Enforceable Through Title V Permit
5. This unit does not store organic materials which are liquid at standard conditions and which are used as solvers, viscosity reducers, or cleaning agents. Tank emissions are fugitive emissions not considered to come from a point source. Therefore, the requirements of District Rules 4661 (as amended May 16, 2002) and 4801 (as amended December 17, 1992) do not apply to this source. A permit shield is granted from these requirements. [District Rule 2520, 13.2] Federally Enforceable Through Title V Permit
6. Vapor control system shall include one vapor recovery line with one pressure control valve regulated by tank pressure sensing line, and piping from vapor recovery line to gas compressors or field vacuum gas gathering system. [District Rule 2201] Federally Enforceable Through Title V Permit
7. Test separators, pool separators, and gas scrubbers shall not vent to atmosphere except during a breakdown condition pursuant to Rule 1100. [District Rule 2201] Federally Enforceable Through Title V Permit
8. The emergency stand-by system, including the knockout tank and drain tank shall not vent gas except during a breakdown condition pursuant to Rule 1100. [District Rule 2201] Federally Enforceable Through Title V Permit

PERMIT UNIT REQUIREMENTS CONTINUE ON NEXT PAGE
These terms and conditions are part of the Facility-wide Permit to Operate.

9. All tank roof vents, gauge hatches, and breather valves shall be designed and maintained at a minimum release pressure of 1.5 oz./sq.in. and vacuum of 0.5 oz./sq.in. [District Rule 2201] Federally Enforceable Through Title V Permit
10. The gas blanket supply line shall be closed before the Leak-Free (as defined in Rule 4623, amended May 19, 2005) seal is broken on any tank with vapor recovery system, including opening the tanks for any reason. [District Rule 4623] Federally Enforceable Through Title V Permit
11. Fugitive VOC emissions rate, calculated using CAPCOA California Implementation Guidelines for Estimating Mass Emissions of Fugitive Hydrocarbon Leaks at Petroleum Facilities Table IV-2c less than or equal to 10,000 ppm (Feb 1999), from the total number of tank components and vapor control system components shall not exceed 2.6 lb/day. [District Rule 2201] Federally Enforceable Through Title V Permit
12. The operator shall ensure that the vapor recovery system is functional and is operating as designed at all times. [District Rule 2520, 9.3.2] Federally Enforceable Through Title V Permit
13. All tank gauging or sampling device on a tank vented to the vapor recovery system shall be equipped with a leak free cover which shall be closed at all times except during gauging or sampling. [District Rule 4623, 5.6.2] Federally Enforceable Through Title V Permit
14. All piping, valves, and fittings shall be constructed and maintained in a leak-free condition. [District Rule 4623, 5.6.3] Federally Enforceable Through Title V Permit
15. A leak-free condition is defined as a condition without a gas leak or a liquid leak. A gas leak is defined as a reading in excess of 10,000 parts per million by volume (ppmv), as methane, above background on a portable hydrocarbon detection instrument that is calibrated to methane in accordance with the procedures specified in EPA Test Method 21. A liquid leak is defined as the dripping of organic liquid at a rate more than 3 drops per minute. A gas or liquid leak is a violation of this permit and Rule 4623 and shall be reported as a deviation. [District Rule 4623] Federally Enforceable Through Title V Permit
16. Fugitive VOC emissions rate shall be calculated using CAPCOA California Implementation Guidelines for Estimating Mass Emissions of Fugitive Hydrocarbon Leaks at Petroleum Facilities Table IV-2c, Oil and Gas Production Screening Value Ranges Emission Factors (Feb 1999) from the total number of components from this tank. [District Rule 2201] Federally Enforceable Through Title V Permit
17. Operator shall visually inspect tank shell, hatches, seals, seams, cable seals, valves, flanges, connectors, and any other piping components directly affixed to the tank and within five feet of the tank at least once per year for liquid leaks, and with a portable hydrocarbon detection instrument conducted in accordance with EPA Method 21 for gas leaks. Operator shall also visually or ultrasonically inspect as appropriate, the external shells and roofs of uninsulated tanks for structural integrity annually. [District Rule 4623, 5.7 (Table 3)] Federally Enforceable Through Title V Permit
18. Upon detection of a liquid leak, defined as a leak rate of greater than or equal to 30 drops per minute, operator shall repair the leak within 8 hours. For leaks with a liquid leak rate of between 3 and 30 drops per minute, the leaking component shall be repaired within 24 hours after detection. [District Rules 4623, 5.7 (Table 3)] Federally Enforceable Through Title V Permit
19. Upon detection of a gas leak, defined as a VOC concentration of greater than 10,000 ppmv measured in accordance with EPA Method 21, operator shall take one of the following actions: 1) eliminate the leak within 8 hours after detection; or 2) if the leak cannot be eliminated, then minimize the leak to the lowest possible level within 8 hours after detection by using best maintenance practices, and eliminate the leak within 48 hours after minimization. In no event shall the total time to minimize and eliminate a leak exceed 56 hours after detection. [District Rule 4623, 5.7 (Table 3)] Federally Enforceable Through Title V Permit
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PERMIT UNIT REQUIREMENTS CONTINUE ON NEXT PAGE

These terms and conditions are part of the Facility-wide Permit to Operate.

21. Leaking components that have been discovered by the operator that have been immediately tagged and repaired within the timeframes specified in District Rule 4623, Table 3 shall not constitute a violation of this rule. However, leaking components discovered during inspections by District staff that were not previously identified and/or tagged by the operator, and/or any leaks that were not repaired within specified timeframes, shall constitute a violation of the District Rule 4623 (amended May 19, 2005). [District Rule 4623, 5.7 (Table 3)] Federally Enforceable Through Title V Permit
22. If a component type for a given tank is found to leak during an annual inspection, then conduct quarterly inspections of that component type on the tank or tank system for four consecutive quarters. If a component type is found to have no leak after four consecutive quarterly inspections, then revert to annual inspections. [District Rule 4623, 5.7 (Table 3)] Federally Enforceable Through Title V Permit
23. Any component found to be leaking on two consecutive annual inspections is in violation of the District Rule 4623 (amended May 19, 2005), even if it is under the voluntary inspection and maintenance program. [District Rule 4623, 5.7 (Table 3)] Federally Enforceable Through Title V Permit
24. Permittee shall keep in their facility at all times a copy of the letter sent to the APCO requesting participation in the Rule 4623 Fixed Roof Tank Preventive Inspection and Maintenance Program, and Tank Interior Cleaning Program, and maintain the records of annual tank inspections, maintenance, and cleaning to document the participation in the program. [District Rule 4623, 5.7] Federally Enforceable Through Title V Permit
25. Permittee shall comply with all applicable Tank Interior Cleaning Program requirements specified in Section 5.7 of Rule 4623. [District Rule 4623, 5.7] Federally Enforceable Through Title V Permit
26. Operator shall maintain an inspection log containing the following 1) Type of component leaking; 2) Date of leak detection, and method of detection; 3) Date and emission level of recheck after leak is repaired; 4) Method used to minimize the leak to lowest possible level within 8 hours after detection. [District Rule 2520, 9.3.2] Federally Enforceable Through Title V Permit
27. Permittee shall maintain records of number and type of components installed and calculated fugitive emissions. Permittee shall update such records when new components are installed. [District Rule 2201] Federally Enforceable Through Title V Permit
28. The operator of a fixed roof tank shall maintain all records of required monitoring data and support information for inspection at any time for a period of five years. [District Rule 2520, 9.4.2] Federally Enforceable Through Title V Permit

These terms and conditions are part of the Facility-wide Permit to Operate.