



STATE OF NEVADA  
Department of Conservation & Natural Resources  
DIVISION OF ENVIRONMENTAL PROTECTION

Jim Gibbons, Governor  
Allen Biggs, Director  
Leo M. Drozdoff, P.E., Administrator

September 16, 2008

Randall E. Soule  
President  
Bango Oil, LLC  
16640 Wedge Parkway  
Reno, NV 89511

Re: Draft Air Quality Operating Permit No. AP 2992-1473 FIN# A0511 for Bango Oil, LLC

Dear Mr. Soule:

The application submitted by Bango Oil, LLC for a Class II Air Quality Operating Permit No. AP2992-1473 has been reviewed by the Nevada Division of Environmental Protection, Bureau of Air Pollution Control (NDEP-BAPC) under legal authority from Nevada Revised Statutes 445B.100 through 445B.640 and pursuant to regulations in Nevada Administrative Code 445B.001 through 445B.3791.

Enclosed please find your copies of the Draft Permit, Director's Review of the permit application and Notice of Proposed Action (public notice).

Written comments will be received until October 17, 2008. If you have any questions, please call Randy Phillips, of my staff, at (775) 687-9362.

Sincerely,

Francisco Vega  
Supervisor, Permitting Branch  
Bureau of Air Pollution Control

FV:rp

Enclosures: Draft Permit, Director's Review and Public Notice.

ATTACHMENT 1



STATE OF NEVADA  
DEPARTMENT OF CONSERVATION AND NATURAL RESOURCES  
DIVISION OF ENVIRONMENTAL PROTECTION  
BUREAU OF AIR POLLUTION CONTROL

**Director's Review and Preliminary Determination of Permit Issuance  
for  
Bango Oil, LLC  
September 12, 2008**

Bango Oil, LLC has submitted a Class II application to the Nevada Division of Environmental Protection, Bureau of Air Pollution Control (NDEP-BAPC) requesting a revision to Class II Air Quality Operating Permit #AP2992-1473. The revised permit is for new construction and revised operation of a used oil and recycled fuel oil re-refining facility that will process up to 2,400 gallons/hour of used oil and recycled fuel oil into value added products. The proposed revision will reconfigure the permit to reflect current operating conditions: double the volume of used oil that can be refined; modify the existing thermal combustor that will be used for treating oily waste water; modify emission limits and operating parameters for cooling tower #1; add two cooling towers; add a process heater and associated re-refining equipment that will allow for a doubling of the amount of used oil and recycled fuel oil that can be refined; add a hydrotreating filtration system that will be used to purify refined oil products; and add a 1.68 MMBtu/hr steam boiler as a non-permitted emission unit.

Permitted units will include two primary re-refining circuits, which consists of process heaters, thermal dehydrators, fractionating towers, wiped film evaporators, tanks, valves, motors, heat exchangers, pumps, and compressors; one secondary re-refining circuit, which consists of a process heater, and re-generative clay filtration system; three cooling towers; and a hydrotreating filtration circuit, which consists of a process heater, catalytic reactors, high pressure separators, base oil stripper, valves, motors, heat exchangers, pumps, and compressors.

The application materials related to the revised Class II operating permit was received by NDEP-BAPC on July 30, 2008. The permit application was deemed administratively complete on August 13, 2008. Bango Oil, LLC is located at 22211 Bango Road, Fallon, Churchill County, Nevada. The Bango Oil, LLC Facility is located approximately at UTM 324.48 km East by 4,374.15 km North, Zone 11 (Section 23, Township 19 North, Range 26 East in Hydrographic Area 101). The Standard Industrial Classification (SIC) number for the facility is 2992 - Establishments primarily engaged in blending, compounding, and re-refining lubricating oils and greases from purchased mineral, animal, and vegetable materials.

As proposed, Bango Oil, LLC will continue to be a Class II source under the revised permit. The potential-to-emit (PTE) of each regulated air pollutant is less than the 100 ton per year threshold for major source designation. The facility is not subject to any federal regulations.	<i>Proposed Annual Emissions</i>		
	Pollutant(s)		tons/yr
	PM <sub>10</sub>	Particulate matter <10 microns in diameter	5.24
	NO <sub>x</sub>	Nitrogen Oxides	32.30
	SO <sub>2</sub>	Sulfur Dioxide	71.89
	VOCs	Volatile Organic Compounds	5.17
CO	Carbon Monoxide	12.23	

Two ambient air impact studies were completed to: 1) demonstrate compliance with the Nevada and National Ambient Air Quality Standards, 2) demonstrate compliance with the allowable PSD increment consumption for NO<sub>x</sub> in Hydrographic Area 101. The ambient air quality analyses demonstrated that the emissions from the proposed source will not cause or contribute to a violation of any applicable federal or state ambient air quality standards. The increment analyses for NO<sub>x</sub> demonstrated that the emissions from the proposed source will not cause an exceedance of the increment standards in Hydrographic Area 101. No adverse air quality impacts are expected. Therefore, NDEP-BAPC has made a preliminary determination to issue a revised Class II Operating Permit #AP2992-1473 with appropriate conditions.

The proposed source must comply with all State and Federal air quality requirements and all conditions established within the revised Class II Operating Permit #AP2992-1473.

## NOTICE OF PROPOSED ACTION

by the  
State of Nevada  
Division of Environmental Protection  
Bureau of Air Pollution Control

### PUBLIC NOTICE

Pursuant to Nevada Revised Statutes (NRS) Chapter 445B, the Nevada Administrative Code (NAC) Chapter 445B, and the Clean Air Act, the Division of Environmental Protection is issuing the following notice.

The Director received an application for a revision to Class II Air Quality Operating Permit AP2992-1473 from the following applicant:

Bango Oil, LLC  
22211 Bango Road  
Fallon, Nevada 89406

The project is located on Bango Road west of Fallon, Churchill County, Nevada. The Director has prepared tentative determinations regarding the revised operating permit that, in brief, are the following:

- The revised permit is for new construction and revised operation of a used oil and recycled fuel oil re-refining facility that will process up to 2,400 gallons/hour of used oil and recycled fuel oil into value added products. The proposed revision will reconfigure the permit to reflect current operating conditions: double the volume of used oil that can be refined; modify the existing thermal combustor that will be used for treating oily waste water; modify emission limits and operating parameters for cooling tower #1; add two cooling towers; add a process heater and associated re-refining equipment that will allow for a doubling of the amount of used oil and recycled fuel oil that can be refined; add a hydrotreating filtration system that will be used to purify refined oil products; and add a 1.68 MMBtu/hr steam boiler as a non-permitted emission unit.
- Revised emissions from Bango Oil LLC will not exceed 5.24 tons/year of PM<sub>10</sub>, 32.30 tons/year of NO<sub>x</sub>, 71.89 tons/year of SO<sub>2</sub>, 5.17 tons/year of VOC, and 12.23 tons per year of CO.
- No adverse ambient air quality impacts are expected based on air dispersion modeling analyses.

On the basis of the preliminary review and the requirements of the NRS, the NAC and the Clean Air Act, the Director is hereby announcing his intent to issue a revised Class II air quality operating permit based on a review of the information, as proposed. A copy of the revised draft operating permit is available for public inspection at:

Churchill County Library  
553 South Maine Street  
Fallon, NV 89406

Persons wishing to comment upon the proposed determinations by the Director regarding this proposed action or to request a hearing pursuant to NRS 445B Air Pollution and NAC 445B Air Controls should submit their comments or request in writing either in person or by mail or fax within thirty (30) days to:

Randy Phillips  
Division of Environmental Protection  
Nevada Bureau of Air Pollution Control  
901 South Stewart Street, Suite 4001  
Carson City, Nevada 89701  
(775) 687-9362  
(775) 687-6396 FAX

The application, revised draft permit, any comments received, and other relevant information may be copied at the above address or copies may be obtained by requesting in writing at the above address. Written comments or objections, will be received at the Division of Environmental Protection, above address, until close of business on **October 17, 2008**, and will be retained and considered prior to final action on the revised Class II operating permit. Upon a valid written request received prior to the end of the comment period, the Director will schedule a public hearing on the application and proposed action.

Please bring the foregoing notice to the attention of all persons whom you know may be interested in this matter.