



MAY 16 2012

Mr. Armando Gonzalez
Occidental of Elk Hills Inc
10800 Stockdale Highway
Bakersfield, CA 93311

**Re: Final - Authority to Construct / Certificate of Conformity (Minor Mod)
Project # S-1114924**

Dear Mr. Gonzalez:

The Air Pollution Control Officer has issued an Authority to Construct (S-382-136-19) with a Certificate of Conformity to Occidental of Elk Hills Inc. The applicant proposes to install a pressure separator knockout vessel.

Enclosed is the Authority to Construct and invoice. The application and proposal were sent to US EPA Region IX on March 22, 2012. 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. Jim Swaney, Permit Services Manager, at (559) 230-5900.

Sincerely,



David Warner
Director of Permit Services

Enclosures
jag

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



MAY 16 2012

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-1114924**

Dear Mr. Rios:

The Air Pollution Control Officer has issued an Authority to Construct (S-382-136-19) with a Certificate of Conformity to Occidental of Elk Hills Inc. The applicant proposes to install a pressure separator knockout vessel.

Enclosed are copies of the Authority to Construct. The application and proposal were sent to US EPA Region IX on March 22, 2012. 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. Jim Swaney, Permit Services Manager, at (559) 230-5900.

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AUTHORITY TO CONSTRUCT

PERMIT NO: S-382-136-19

ISSUANCE DATE: 05/07/2012

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) INCLUDING VAPOR CONTROL SYSTEM SERVING TANKS S-382-111, '-263, '-265, '-320, '-321, '-399, '-400, '-703, AND '-814 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: ADD ONE PRESSURE SEPARATOR VESSEL AND REVISE LISTING OF INDIVIDUAL PUMPS IN THE EQUIPMENT WITH POST PROJECT DESCRIPTION OF "ASSOCIATED PUMPS"

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. 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

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-382-136-19 : May 7 2012 10:48AM - GARCIAJ : Joint Inspection NOT Required

4. 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
5. 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] Federally Enforceable Through Title V Permit
6. 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] Federally Enforceable Through Title V Permit
7. All piping, valves, and fittings shall be constructed and maintained in a Leak-Free condition. [District Rule 4623] Federally Enforceable Through Title V Permit
8. 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] Federally Enforceable Through Title V Permit
9. 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] Federally Enforceable Through Title V Permit
10. 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] Federally Enforceable Through Title V Permit
11. 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 Rule 4623] Federally Enforceable Through Title V Permit
12. 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] Federally Enforceable Through Title V Permit
13. 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] Federally Enforceable Through Title V Permit
14. 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] Federally Enforceable Through Title V Permit
15. 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] Federally Enforceable Through Title V Permit

CONDITIONS CONTINUE ON NEXT PAGE

16. 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] Federally Enforceable Through Title V Permit
17. 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] 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] 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] 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 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] 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 Rule 2201] 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 Rule 2201] 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 Rule 2201] 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 Rule 2201] 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 2.8 lb/day. [District Rule 2201] 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]



San Joaquin Valley
AIR POLLUTION CONTROL DISTRICT

Due Date
7/16/2012

Amount Due
\$ 710.50

Amount Enclosed

ATCFEE S1114924
382 S100245 5/7/2012

RETURN THIS TOP PORTION ONLY, WITH REMITTANCE TO:

OCCIDENTAL OF ELK HILLS INC (OEHI)
10800 STOCKDALE HIGHWAY
BAKERSFIELD, CA 93311

SJVAPCD
34946 Flyover Court
Bakersfield, CA 93308

Thank You!



San Joaquin Valley
AIR POLLUTION CONTROL DISTRICT

SJVAPCD Tax ID: 77-0262563

Facility ID
S382

Invoice Date
5/7/2012

Invoice Number
S100245

Invoice Type
Project: S1114924

OCCIDENTAL OF ELK HILLS INC
LIGHT OIL WESTERN STATIONARY SOURCE
KERN COUNTY, CA

PROJECT NUMBER: 1114924

APPLICATION FILING FEES	\$ 71.00
ENGINEERING TIME FEES	\$ 710.50
TOTAL FEES	\$ 781.50
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.)	\$ 710.50

Late Payment (see Rule 3010, Section 11.0 Late Fees)	
Postmarked	Total Due
After 7/16/2012 through 7/26/2012	\$ 781.55
After 7/26/2012	\$ 1,065.75
After 8/15/2012	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: S382

OCCIDENTAL OF ELK HILLS INC
 LIGHT OIL WESTERN STATIONARY SOURCE
 KERN COUNTY, CA

Invoice Nbr: S100245
 Invoice Date: 5/7/2012
 Page: 1

Application Filing Fees

Project Nbr	Permit Number	Description	Application Fee
S1114924	S-382-136-19	MODIFICATION OF 672,000 GALLON DEHYDRATION TANK UNX #11103 (10G DEHYDRATION TRAIN) INCLUDING VAPOR CONTROL SYSTEM SERVING TANKS S-382-111, '-263, '-265, '-320, '-321, '-399, '-400, '-703, AND '-814 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. ADD ONE PRESSURE SEPARATOR VESSEL AND REVISE LISTING OF INDIVIDUAL PUMPS IN THE EQUIPMENT WITH POST PROJECT DESCRIPTION OF "ASSOCIATED PUMPS"	\$ 71.00

Total Application Filing Fees: \$ 71.00

Engineering Time Fees

Project Nbr	Quantity	Rate	Description	Fee
S1114924	3 hours	\$ 138.00 /h	After-Hours Engineering Time(OverTime)	\$ 414.00
			Less Credit For Application Filing Fees	(\$ 71.00)
			After-Hours Engineering Time(OverTime) SubTotal	\$ 343.00
S1114924	3.5 hours	\$ 105.00 /h	Standard Engineering Time	\$ 367.50
			Total Engineering Time Fees:	\$ 710.50

Account Summary

Facility ID: S382

OCCIDENTAL OF ELK HILLS INC
 LIGHT OIL WESTERN STATIONARY SOURCE
 KERN COUNTY, CA

Statement Date: 5/14/2012

Invoice Date	Invoice Number	Invoice Due Date	Description of Fees		Amount Due
03/29/2012	S99623	05/29/2012	Project: S1114735	Fees	\$ 2,200.50
				Invoiced	
				Payments	<u>(\$ 71.00)</u>
				Balance Due	\$ 2,129.50
04/19/2012	S99754	06/18/2012	Title V Hourly Fees: 1st Quarter 2012		\$ 525.00
04/19/2012	S99755	06/18/2012	Title V Hourly Fees: 1st Quarter 2012		\$ 630.00
04/19/2012	S99756	06/18/2012	Title V Hourly Fees: 1st Quarter 2012		\$ 1,155.00
04/19/2012	S99757	06/18/2012	Title V Hourly Fees: 1st Quarter 2012		\$ 210.00
05/02/2012	S100153	07/02/2012	Federally Mandated Ozone Nonattainment Fee		\$ 341,188.96
05/07/2012	S100245	07/16/2012	Project: S1114924	Fees	\$ 781.50
				Invoiced	
				Payments	<u>(\$ 71.00)</u>
				Balance Due	\$ 710.50
				Total Outstanding Balance:	\$ 346,548.96