



JUN 07 2011

Gerardo C. Rios, Chief
Permits Office (AIR-3)
U.S. EPA - Region IX
75 Hawthorne St
San Francisco, CA 94105

**Re: Notice of Final Action - Minor Title V Permit Modification
District Facility # S-1135
Project # S-1103333**

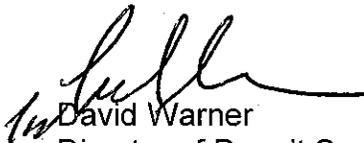
Dear Mr. Rios:

The Air Pollution Control Officer has modified the Title V permit for Aera Energy LLC by incorporating S-1135-17-17. Aera Energy LLC would like to include steam generator S-1135-266, S-1547-1089 as additional combustion devices for a steam enhanced crude oil operation serving 175 steam enhanced wells.

Enclosed is the modified Title V permit. The application and proposal were sent to US EPA Region IX on 2/10/2011. 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

DW:wej

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



JUN 07 2011

Adean Valenzuela
Aera Energy LLC
PO Box 11164
Bakersfield, CA 93389

**Re: Notice of Final Action - Minor Title V Permit Modification
District Facility # S-1135
Project # S-1103333**

Dear Mr. Valenzuela:

The Air Pollution Control Officer has modified the Title V permit for Aera Energy LLC by incorporating S-1135-17-17. Aera Energy LLC would like to include steam generator S-1135-266, S-1547-1089 as additional combustion devices for a steam enhanced crude oil operation serving 175 steam enhanced wells.

Enclosed is the modified Title V permit. The application and proposal were sent to US EPA Region IX on 2/10/2011. 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

DW:wej

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

San Joaquin Valley Air Pollution Control District

PERMIT UNIT: S-1135-17-17

EXPIRATION DATE: 05/31/2007

SECTION: 24 **TOWNSHIP:** 11N **RANGE:** 23W

EQUIPMENT DESCRIPTION:

STEAM-ENHANCED CRUDE OIL PRODUCTION WELL OPERATION, SERVING 175 STEAM ENHANCED WELLS, INCLUDING PIPING TO INCINERATING STEAM GENERATORS, FOR REINJECTION OF NONCONDENSIBLE VAPORS, OR FOR BALANCING OF WELL VENTS.

PERMIT UNIT REQUIREMENTS

1. The crude oil production from wells associated with this permit unit shall not lie within 1000 feet of an air injection well used for in-situ combustion. [District Rule 4407, 2.0, 3.4, and 3.5] Federally Enforceable Through Title V Permit
2. TEOR gases shall be re-injected to the formation, incinerated in steam generators #'s S-1135-26, -27,-28,-266 and S-1547-1089, contained within balanced casing vent collection system, or well casing vents shall be closed and produced fluids handled only in controlled production equipment. [District Rule 2201] Federally Enforceable Through Title V Permit
3. During the time any steam-enhanced crude oil production well is undergoing service or repair while the well is not producing, it shall be exempt from the emission control requirements of District Rule 4401, 5.0 (as amended December 14, 2006). [District Rule 4401, 4.1] Federally Enforceable Through Title V Permit
4. All required source testing shall conform to the compliance testing procedures described in District Rule 1081(as amended December 16, 1993). [District Rule 1081 and County Rules 108 (Kings), 108.1 (Fresno, Merced, San Joaquin, Tulare, Kern, and Stanislaus), and 110 (Madera)] Federally Enforceable Through Title V Permit
5. The operator shall maintain monitoring records of the date and well identification where steam injection or well stimulation occurs. [District Rule 4401, 6.1] Federally Enforceable Through Title V Permit
6. The uncontrolled VOC emissions from any well vent shall be reduced by at least 99 percent by weight or, if several steam-enhanced crude oil production well vents are connected to a vapor collection and control system, total uncontrolled VOC emissions shall be reduced by at least 99 percent. This requirement does not apply to cyclic wells located on contiguous and adjacent oil production properties with less than 10 cyclic wells owned by or under the control of a company. [District Rule 4401, 5.1 and 5.2] Federally Enforceable Through Title V Permit
7. For cyclic wells located on properties with less than 10 cyclic wells and owned by a company, the uncontrolled VOC emissions from any well vent or system of well vents connected to a single control device shall be reduced by at least 50 percent. Properties shall include contiguous and adjacent oil production properties owned by or under control of the company. [District Rule 4401, 5.4] Federally Enforceable Through Title V Permit
8. Total number of leaks from the vapor collection and control system, including condensate handling, shall not exceed the number as allowed by Rule 4401 (as amended December 14, 2006) at any one time. [District Rule 4401, 5.3] Federally Enforceable Through Title V Permit
9. Operator shall affix a readily visible tag bearing the date on which a leak is detected. The tag shall remain in place until the leaking component is repaired. [District Rule 4401, 5.3.1] Federally Enforceable Through Title V Permit
10. Operator shall repair each leak within 15 days of detection. The APCO may grant a 10 day extension if the operator demonstrates that the necessary and sufficient actions have and are being taken to correct the leak. [District Rule 4401, 5.3.1] 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.

11. Operator shall maintain all components of a well vent vapor collection and control system in good repair. Components of the well vent vapor collection and control system shall include all piping, valves, fittings, pumps, compressors, tanks, etc. used to collect, control, store, or dispose of VOC condensate or non-condensable VOCs and which is prior to any blending of VOC condensate with crude oil or blending of non-condensable VOCs with gases to be used as a fuel. [District Rule 4401, 5.3 and 5.3.2] Federally Enforceable Through Title V Permit
12. Annual control efficiency compliance tests shall be performed on all vapor collection and control systems used to control emissions from steam-enhanced crude oil production wells. Testing shall be performed by source tester certified by the California Air Resource Board (CARB) certified contractors during June, July, August or September of each year if the system's control efficiency is dependent upon ambient air temperature. The APCO may waive the requirements of this condition if the vapor control system does not exhaust to atmosphere or if all uncondensed VOC emissions collected by a vapor collection and control system are burned in fuel burning equipment or in a smokeless open flare and the source's Operating Permit contains adequate periodic monitoring to ensure the source meets 99% control efficiency. [District Rule 4401, 5.1, 5.2 and 6.2.1] Federally Enforceable Through Title V Permit
13. The control efficiency of the vapor collection and control system used to control VOC emissions from steam enhanced crude oil production well shall be determined by mass balance based on most stringent of a source test, USEPA approved emission factors, or Air Pollution (AP)-42 emission factors for components; and the efficiency of destruction devices determined by USEPA Method 18 as applicable. [District Rule 4401, 6.3.1] Federally Enforceable Through Title V Permit
14. VOC content shall be determined using ASTM Method E168, E169, or E260 as applicable. Halogenated exempt compounds shall be determined by CARB Method 432. [District Rule 4401, 6.3.2] Federally Enforceable Through Title V Permit
15. The source shall perform leak inspections at least annually, using a portable hydrocarbon detection instrument in accordance with USEPA Method 21. Where safety is a concern, such as measuring leaks from compressor seals or pump seals when the shaft is rotating, a person shall measure leaks by placing the instrument probe inlet at a distance of one (1) centimeter or less from the surface of the component interface [District Rules 2520, 9.3.2 and 4401, 6.3.3] Federally Enforceable Through Title V Permit
16. Compliance with permit conditions in the Title V permit shall be deemed compliance with the following requirements: County Rules 108 (Kings), 108.1 (Fresno, Merced, San Joaquin, Tulare, Kern, and Stanislaus), and 110 (Madera). A permit shield is granted from these requirements. [District Rule 2520, 13.2] Federally Enforceable Through Title V Permit
17. Compliance with permit conditions in the Title V permit shall be deemed compliance with SJVUAPCD Rule 4401 (Amended December 14, 2006), excluding sections 5.1 and 5.2 for control systems which have been waived from complying with the requirement of section 6.2.1. A permit shield is granted from these requirements. [District Rule 2520, 13.2] Federally Enforceable Through Title V Permit
18. The crude oil production wells associated with this unit do not have production enhanced by in-situ combustion. Therefore, the requirements of SJVUAPCD Rule 4407 (Adopted May 19, 1994) do not apply to this permit unit. A permit shield is granted from this requirement. [District Rule 2520, 13.2] Federally Enforceable Through Title V Permit
19. Operation shall include gas/liquid separators, condensate knockouts, and compressor knockouts. [District Rule 2201] Federally Enforceable Through Title V Permit
20. Operation shall include, water-cooled heat exchanger, air-cooled heat exchangers, and gas compressors. [District Rule 2201] Federally Enforceable Through Title V Permit
21. Operation shall include 3 pressure type condensate storage tanks (rated @ 50 psig 650 deg F), 3 - 25 bbl open top emergency drain tanks, and non condensible piping to approved incineration devices. [District Rule 2201] Federally Enforceable Through Title V Permit
22. Operation shall include vapor compressor bypass piping, and casing vapor collection piping to 175 wells. [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.

23. TEOR gas injection system shall include piping, reinjection knockout vessels, interstage coolers and gas/liquid separators, reinjection gas compressors, and liquid transfer pumps. [District Rule 2201] Federally Enforceable Through Title V Permit
24. Operation shall include H2S chemical contractors/ scrubbing pressure vessels. [District Rule 2201] Federally Enforceable Through Title V Permit
25. Permittee shall maintain a listing of all steam enhanced wells connected to this system. [District Rule 2080] Federally Enforceable Through Title V Permit
26. All components of well vent vapor collection and control systems shall be maintained in good working condition. [District Rule 4401] Federally Enforceable Through Title V Permit
27. Casing vent vapor collection piping (includes M1, M2, and M3) shall be interconnected such that flow can be directed to all parts of system. [District Rule 2201] Federally Enforceable Through Title V Permit
28. Water/VOCs condensate from all liquid knockout drums shall be pumped to production manifold. [District Rule 2201] Federally Enforceable Through Title V Permit
29. Injection of collected vapors shall not commence until permittee has received valid Department of Oil & Gas (DOG) approval for injection of gases. [District Rule 2080] Federally Enforceable Through Title V Permit
30. TEOR gas injected into formation shall only be performed using DOGGR approved injection wells. [District Rule 2080] Federally Enforceable Through Title V Permit
31. Permittee shall cease injecting vapors & notify the District immediately if DOG injection approval is revoked, denied, terminated, surrendered or altered to disallow injection. [District Rule 2080] Federally Enforceable Through Title V Permit
32. Gas compressor motors shall total at least 70 hp. [District Rule 2201] Federally Enforceable Through Title V Permit
33. Block valve upstream of free condensate knockout shall activate and shut in casing vapor at 40 psig system pressure. [District Rule 2201] Federally Enforceable Through Title V Permit
34. Non-condensibles shall be introduced only into gas section of dual fuel burners of steam generators for incineration. [District Rule 2201] Federally Enforceable Through Title V Permit
35. Vapors extracted from Metson tank battery, tanks S-1135-70 shall be piped to casing vent collecting system. [District Rule 2201] Federally Enforceable Through Title V Permit

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