



San Joaquin Valley
AIR POLLUTION CONTROL DISTRICT



MAR 25 2013

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-2234
Project # S-1113713**

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 is proposing a Title V minor permit modification to incorporate the recently issued Authorities to Construct S-2234-196-0 and 197-0 into the Title V operating permit. Modifications include the installation of two electric-motor powered natural gas compressor skids.

Enclosed is the engineering evaluation with the following attachments: proposed modified Title V permit, recently issued Authorities to Construct S-2234-196-0 and 197-0, emission increases, and the application. 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

Enclosures

Northern Region
4800 Enterprise Way
Modesto, CA 95358-8718
Tel: (209) 557-6400 FAX: (209) 557-6475

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

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



San Joaquin Valley
AIR POLLUTION CONTROL DISTRICT



HEALTHY AIR LIVING™

MAR 25 2013

Dennis Champion
Occidental of Elk Hills
10800 Stockdale Avenue
Bakersfield, CA 93311

**Re: Notice of Minor Title V Permit Modification
District Facility # S-2234
Project # S-1113713**

Dear Mr. Champion:

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 Authorities to Construct S-2234-196-0 and 197-0 into the Title V operating permit. Modifications include the installation of two electric-motor powered natural gas compressor skids.

Enclosed is the engineering evaluation with the following attachments: proposed modified Title V permit, recently issued Authorities to Construct S-2234-196-0 and 197-0, emission increases, and the application. 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

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Southern Region
34946 Flyover Court
Bakersfield, CA 93308-9725
Tel: 661-392-5500 FAX: 661-382-5585

TITLE V APPLICATION REVIEW

Minor Modification
Project #: 1113713

Engineer: Steve Roeder
Date: 3/19/13

Facility Number: S-2234
Facility Name: Occidental of Elk Hills
Mailing Address: 10800 Stockdale Highway
Bakersfield, CA 93311

RwK
3/27/13

Contact Name: Dennis Champion
Phone: (661) 412-5214

Responsible Official: Armando Gonzalez
Title: Manager of Health, Environment, Safety and Security

I. PROPOSAL

Occidental of Elk Hills (Oxy) is proposing a Title V minor permit modification to incorporate the recently issued Authorities to Construct S-2234-196-0 and 197-0 into the Title V operating permit. The modifications include the installation of two electric-motor driven gas compressor skids.

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 compressors are located at various unspecified locations within Oxy's gas processing Stationary Source in Elk Hills.

III. EQUIPMENT DESCRIPTION

S-2234-196-0: ELECTRIC MOTOR DRIVEN COMPRESSOR SKID (K-125)
AUTHORIZED FOR OPERATION AT VARIOUS UNSPECIFIED LOCATIONS
WITHIN THE GAS PROCESSING STATIONARY SOURCE (S-2234)

S-2234-197-0: ELECTRIC MOTOR DRIVEN COMPRESSOR SKID (K-126)
AUTHORIZED FOR OPERATION AT VARIOUS UNSPECIFIED LOCATIONS
WITHIN THE GAS PROCESSING STATIONARY SOURCE (S-2234)

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

Oxy has installed two electric-motor driven natural gas compressors.

Since these are newly permitted units, condition mapping is not applicable. However, conditions 10 thru 57 on both ATCs were removed from the draft permits because all of those conditions are already on the facility-wide permit.

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-2234-196-2 and 197-2
- B. Authorities to Construct No. S-2234-196-0 and 197-0
- C. Emissions Increases
- D. Application

ATTACHMENT A

**Proposed Modified Title V Operating Permits
S-2234-196-2 and 197-2**

San Joaquin Valley Air Pollution Control District

PERMIT UNIT: S-2234-196-2

EXPIRATION DATE: 10/31/2016

SECTION: 35 **TOWNSHIP:** 30S **RANGE:** 23E

EQUIPMENT DESCRIPTION:

ELECTRIC MOTOR DRIVEN COMPRESSOR SKID (K-125) AUTHORIZED FOR OPERATION AT VARIOUS UNSPECIFIED LOCATIONS WITHIN THE GAS PROCESSING STATIONARY SOURCE (S-2234)

DRAFT

PERMIT UNIT REQUIREMENTS

1. Operator shall notify the District by letter or fax at least 48-hours in advance of the re-location of this compressor skid. [District Rule 2201] Federally Enforceable Through Title V Permit
2. Operator shall maintain records of compressor skid location and dates spent at each location and make such records available for District inspection upon request. [District Rule 2201] Federally Enforceable Through Title V Permit
3. Compressor skid shall not operate within 1,000 feet of a kindergarten through 12 grade school. [CH&SC Section 42301.6] Federally Enforceable Through Title V Permit
4. Compressor skid shall only be used in conjunction with gas processing operations where gas is routed to a gas plant, sales line, or gas injection well. Compressor skid shall not be used as part of a permitted operation without first obtaining an Authority to Construct to modify the operation to include the compressor skid. [District Rule 2201] Federally Enforceable Through Title V Permit
5. Permittee shall maintain accurate component count for compressor skid according to 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 < 10,000 ppmv. Permittee shall update such records when new components are approved and installed. [District Rule 2201] Federally Enforceable Through Title V Permit
6. Fugitive VOC emissions from compressor skid shall not exceed 0.7 lb/ day. [District Rule 2201] Federally Enforceable Through Title V Permit
7. VOC content of the total hydrocarbons in the gas stream handled shall not exceed 100% of the total hydrocarbon content by weight. [District Rules 2201] Federally Enforceable Through Title V Permit
8. VOC content of the total hydrocarbons in the gas stream handled shall be tested not less than annually. [District Rule 2201] Federally Enforceable Through Title V Permit
9. Permittee shall maintain a record of the VOC content test results for a period of five years and make such records available for inspection upon request. [District Rules 2520 and 1070] Federally Enforceable Through Title V Permit
10. All records shall be retained for a period of at least 5 years and shall be made available for District inspection upon request. [District Rules 2520 and 1070] Federally Enforceable Through Title V Permit

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

Facility Name: OCCIDENTAL OF ELK HILLS INC
Location: GAS PLANT, SECTION SE-35, T-30S, R-23E, TUPMAN, CA
S-2234-196-2: Mar 27 2013 12:28PM - R05DE23

DRAFT

San Joaquin Valley Air Pollution Control District

PERMIT UNIT: S-2234-197-2

EXPIRATION DATE: 10/31/2016

SECTION: 35 TOWNSHIP: 30S RANGE: 23E

EQUIPMENT DESCRIPTION:

ELECTRIC MOTOR DRIVEN COMPRESSOR SKID (K-126) AUTHORIZED FOR OPERATION AT VARIOUS UNSPECIFIED LOCATIONS WITHIN THE GAS PROCESSING STATIONARY SOURCE (S-2234)

PERMIT UNIT REQUIREMENTS

1. Operator shall notify the District by letter or fax at least 48-hours in advance of the re-location of this compressor skid. [District Rule 2201] Federally Enforceable Through Title V Permit
2. Operator shall maintain records of compressor skid location and dates spent at each location and make such records available for District inspection upon request. [District Rule 2201] Federally Enforceable Through Title V Permit
3. Compressor skid shall not operate within 1,000 feet of a kindergarten through 12 grade school. [CH&SC Section 42301.6] Federally Enforceable Through Title V Permit
4. Compressor skid shall only be used in conjunction with gas processing operations where gas is routed to a gas plant, sales line, or gas injection well. Compressor skid shall not be used as part of a permitted operation without first obtaining an Authority to Construct to modify the operation to include the compressor skid. [District Rule 2201] Federally Enforceable Through Title V Permit
5. Permittee shall maintain accurate component count for compressor skid according to 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 < 10,000 ppmv. Permittee shall update such records when new components are approved and installed. [District Rule 2201] Federally Enforceable Through Title V Permit
6. Fugitive VOC emissions from compressor skid shall not exceed 0.7 lb/ day. [District Rule 2201] Federally Enforceable Through Title V Permit
7. VOC content of the total hydrocarbons in the gas stream handled shall not exceed 100% of the total hydrocarbon content by weight. [District Rules 2201] Federally Enforceable Through Title V Permit
8. VOC content of the total hydrocarbons in the gas stream handled shall be tested upon implementation of this Authority to Construct and thereafter not less than annually. [District Rule 2201] Federally Enforceable Through Title V Permit
9. Permittee shall maintain a record of the VOC content test results for a period of five years and make such records available for inspection upon request. [District Rules 2520 and 1070] Federally Enforceable Through Title V Permit
10. All records shall be retained for a period of at least 5 years and shall be made available for District inspection upon request. [District Rules 2520 and 1070] Federally Enforceable Through Title V Permit

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

Facility Name: OCCIDENTAL OF ELK HILLS INC
Location: GAS PLANT, SECTION SE-35, T-30S, R-23E, TUPMAN, CA
S-2234-197-2: Mar 27 2013 12:28PM - ROEDERS

ATTACHMENT B

**Authorities to Construct
S-2234-196-0 and 197-0**



AUTHORITY TO CONSTRUCT

PERMIT NO: S-2234-196-0

ISSUANCE DATE: 03/03/2009

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

LOCATION: GAS PLANT
SECTION SE-35, T-30S, R-23E
TUPMAN, CA

EQUIPMENT DESCRIPTION:
ELECTRIC MOTOR DRIVEN COMPRESSOR SKID (K-125) AUTHORIZED FOR OPERATION AT VARIOUS UNSPECIFIED LOCATIONS WITHIN THE GAS PROCESSING STATIONARY SOURCE (S-2234)

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. Operator shall notify the District by letter or fax at least 48-hours in advance of the re-location of this compressor skid. [District Rule 2201]
3. Operator shall maintain records of compressor skid location and dates spent at each location and make such records available for District inspection upon request. [District Rule 2201]
4. Compressor skid shall not operate within 1,000 feet of a kindergarten through 12 grade school. [CH&SC Section 42301.6]
5. Compressor skid shall only be used in conjunction with gas processing operations where gas is routed to a gas plant, sales line, or gas injection well. Compressor skid shall not be used as part of a permitted operation without first obtaining an Authority to Construct to modify the operation to include the compressor skid. [District Rule 2201]
6. Permittee shall maintain accurate component count for compressor skid according to 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 < 10,000 ppmv. Permittee shall update such records when new components are approved and installed. [District Rule 2201]
7. Fugitive VOC emissions from compressor skid shall not exceed 0.7 lb/ day. [District Rule 2201]

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

COPY

DAVID WARNER, Director of Permit Services

S-2234-196-0; Mar 19 2013 2:07PM - RECEIVEDS ; Job Inspection NOT Required

8. VOC content of the total hydrocarbons in the gas stream handled shall not exceed 100% of the total hydrocarbon content by weight. [District Rules 2201]
9. VOC content of the total hydrocarbons in the gas stream handled shall be tested upon implementation of this Authority to Construct and thereafter not less than annually. [District Rule 2201]
10. The permittee shall not use any components that leak in excess of the applicable leak standards as specified in this permit. Components that have been found leaking in excess of the applicable leak standards of this rule may be used provided such leaking components have been identified with a tag for repair, are repaired, or are awaiting re-inspection after being repaired, within the applicable time period specified in this permit. [District Rule 4409, 5.1.1] Federally Enforceable Through Title V Permit
11. For valves, threaded connections, flanges, pipes, pumps, compressors, and other components subject to the requirements of Rule 4409, but not specified in this permit; a major gas leak is a detection of > 10,000 ppmv as methane; a minor gas leak is a detection of 1,000 to 10,000 ppmv as methane when the component is in liquid service; a minor gas leak is a detection of 2,000 to 10,000 ppmv as methane when the component is in gas/vapor service. [District Rule 4409, 5.1.1] Federally Enforceable Through Title V Permit
12. For pressure relief devices (PRDs); a major gas leak is a detection of > 10,000 ppmv as methane; a minor gas leak is a detection of 200 to 10,000 ppmv as methane when the component is in liquid service; a minor gas leak is a detection of 400 to 10,000 ppmv as methane when the component is in gas/vapor service. [District Rule 4409, 5.1.1] Federally Enforceable Through Title V Permit
13. Minor gas leaks from PRSBs detected during any District inspection shall not be counted toward determination of compliance with this rule provided the permittee repairs, replaces, or removes leaking PRSBs from VOC service as soon as practicable but not later than seven calendar days. [District Rule 4409, 5.1.3.1.2] Federally Enforceable Through Title V Permit
14. Leaks detected during quarterly operator inspections shall not be counted towards determination of compliance with the provisions of Rule 4409 provided the leaking components are repaired as soon as practicable but not later than the time frame specified in this permit. Leaks detected during quarterly operator inspections that are not repaired, replaced, or removed from operation as soon as practicable but not later than the time frame specified in this rule shall be counted toward determination of compliance with the provisions of Rule 4409. [District Rule 4409, 5.1.3.2.1 and 5.1.3.2.2] Federally Enforceable Through Title V Permit
15. Leaking components at this facility detected during annual operator inspections, as required by Rule 4409 for a specific component type, that exceed the leak standards specified in this permit, shall constitute a violation of this rule. This violation is regardless of whether or not the leaking components are repaired, replaced, or removed from operation within the allowable repair time frame specified in this permit. [District Rule 4409, 5.1.3.2.3] Federally Enforceable Through Title V Permit
16. An open-ended line, or a valve located at the end of the line, that is not sealed with either a blind flange, a plug, a cap, or a second closed valve that is not closed at all times, except during attended operations requiring process fluid flow through the open-ended line is a leak. Attended operations include draining or degassing operations, connection of temporary process equipment, sampling of process streams, emergency venting, and other normal operational needs, provided such operations are done as expeditiously as possible and with minimal spillage of material and VOC emissions to the atmosphere. [District Rule 4409, 5.1.4.1] Federally Enforceable Through Title V Permit
17. A leak from a component is when there is a major liquid leak from the component. A major liquid leak from a component is when a visible mist or a continuous flow of liquid, that is not seal lubricant, leaks from the component. [District Rule 4409, 5.1.4.2] Federally Enforceable Through Title V Permit
18. A leak from a component is when gas emissions greater than 50,000 ppmv, as methane, leaks from the component. [District Rule 4409, 5.1.4.3] Federally Enforceable Through Title V Permit
19. A minor liquid leak from a component is when more than three drops of liquid per minute, that is not seal lubricant and is not a major liquid leak, leaks from the component. [District Rule 4409, 5.1.4.4] Federally Enforceable Through Title V Permit

CONDITIONS CONTINUE ON NEXT PAGE.

20. When 200 or fewer valves are inspected, a leak from a valve is when more than one valve has a minor liquid leak, a minor gas leak, or a gas leak > 10,000 ppmv and < or equal to 50,000 ppmv. When greater than 200 valves are inspected, a leak from a valve is when more than 0.5 % (rounded up to the nearest whole number) of the valves have a minor liquid leak, a minor gas leak, or a gas leak > 10,000 ppmv and < or equal to 50,000 ppmv. [District Rule 4409, 5.1.4.4] Federally Enforceable Through Title V Permit
21. When 200 or fewer threaded connections are inspected, a leak from a threaded connection is when more than one threaded connection has a minor liquid leak, a minor gas leak, or a gas leak > 10,000 ppmv and < or equal to 50,000 ppmv. When greater than 200 threaded connections are inspected, a leak from a threaded connection is when more than 0.5 % (rounded up to the nearest whole number) of the threaded connections have a minor liquid leak, a minor gas leak, or a gas leak > 10,000 ppmv and < or equal to 50,000 ppmv. [District Rule 4409, 5.1.4.4] Federally Enforceable Through Title V Permit
22. When 200 or fewer flanges are inspected, a leak from a flange is when more than one flange has a minor liquid leak, a minor gas leak, or a gas leak > 10,000 ppmv and < or equal to 50,000 ppmv. When greater than 200 flanges are inspected, a leak from a flange is when more than 0.5 % (rounded up to the nearest whole number) of the flanges have a minor liquid leak, a minor gas leak, or a gas leak > 10,000 ppmv and < or equal to 50,000 ppmv. [District Rule 4409, 5.1.4.4] Federally Enforceable Through Title V Permit
23. When compressors, PRDs, or other components not specified in this permit are inspected, a leak from these components is when more than one component has a minor liquid leak, a minor gas leak, or a gas leak greater than 10,000 ppmv and less than or equal to 50,000 ppmv. [District Rule 4409, 5.1.4.4] Federally Enforceable Through Title V Permit
24. When 200 or fewer PRSBs are inspected, a leak is when more than four have a minor liquid leak, a minor gas leak, or a gas leak > 10,000 ppmv and < or equal to 50,000 ppmv. When greater than 200 PRSBs are inspected, a leak is when more than 2.0 % (rounded up to the nearest whole number) of the PRSBs have a minor liquid leak, a minor gas leak, or a gas leak > 10,000 ppmv and < or equal to 50,000 ppmv. [District Rule 4409, 5.1.4.4] Federally Enforceable Through Title V Permit
25. When pipes at natural gas processing facilities are inspected, a leak from a pipe is when more than two have a minor liquid leak, a minor gas leak, or a gas leak > 10,000 ppmv and < or equal to 50,000 ppmv. [District Rule 4409, 5.1.4.4] Federally Enforceable Through Title V Permit
26. For manned facilities all accessible operating pumps, compressors, and PRDs, in service, shall be audio-visually inspected for leaks at least once every 24 hours except when operators do not report to the facility during a 24 hour period. [District Rule 4409, 5.2.1] Federally Enforceable Through Title V Permit
27. For unmanned facilities all accessible operating pumps, compressors, and PRDs, in service, shall be audio-visually inspected for leaks at least once per calendar week. [District Rule 4409, 5.2.2] Federally Enforceable Through Title V Permit
28. All accessible operating pumps, compressors, and PRDs, in service, that are found to be leaking by audio-visual inspection shall be attempted to be repaired immediately. The leaking component shall then be tested within 24 hours and, if found leaking again, shall be repaired as soon as practicable but not later than the timeframe specified in this permit. [District Rule 4409, 5.2.3] Federally Enforceable Through Title V Permit
29. Except for inaccessible components, unsafe-to-monitor components, or pipes, all components, in service, shall be tested for leaks at least once every calendar quarter. [District Rule 4409, 5.2.4] Federally Enforceable Through Title V Permit
30. All new, replaced, or repaired fittings, flanges, and threaded connections shall be tested for leaks immediately after being placed into service. [District Rule 4409, 5.2.5] Federally Enforceable Through Title V Permit
31. All inaccessible components shall be tested for leaks at least once every 12 months. [District Rule 4409, 5.2.6] Federally Enforceable Through Title V Permit
32. All unsafe-to-monitor components shall be tested for leaks during each turnaround. [District Rule 4409, 5.2.7] Federally Enforceable Through Title V Permit
33. All pipes shall be visually inspected for leaks at least once every 12 months. [District Rule 4409, 5.2.8] Federally Enforceable Through Title V Permit

CONDITIONS CONTINUE ON NEXT PAGE

34. All pipes, in service, that are found to be leaking by visual inspection shall be attempted to be repaired immediately. The leaking pipe shall then be tested within 24 hours and, if found leaking again, shall be repaired as soon as practicable but not later than the timeframe specified in this permit. [District Rule 4409, 5.2.8.1] Federally Enforceable Through Title V Permit
35. The annual pipe inspection required by either the Department of Oil, Gas, and Geothermal Resources (DOGGR) pursuant to California Code of Regulation Title 14, Division 2, Subchapter 2, Section 1774 (Oilfield Facilities and Equipment Maintenance), or by the Spill Prevention Control and Countermeasure Plan (SPCC) pursuant to 40 Code of Federal Regulation Part 112 (Oil Prevention and Response: Non- Transportation-Related Onshore and Offshore Facilities) can be used as the annual pipe inspection required by District Rule 4409. [District Rule 4409, 5.2.8.2] Federally Enforceable Through Title V Permit
36. Except for pumps, compressors, and PRDs, the permittee may apply for written approval from the District to change the inspection frequency of accessible components from quarterly to annually for a specific component type provided the following two qualifying requirements are met. During the previous five consecutive quarterly inspections, for the specific component type, there shall be no more leaks than as allowed by this permit. The permittee also shall not have received a Notice of Violation (NOV) from the District during the previous 12 months for violating any provisions of District Rule 4409 for the specific component type. If these two qualifying requirements have not been met, then the inspection frequency shall revert back to quarterly. The written request shall include pertinent documentation to demonstrate that the operator has successfully met the two qualifying requirements. [District Rule 4409, 5.2.9 and 5.2.10] Federally Enforceable Through Title V Permit
37. The permittee shall notify the District in writing within five calendar days after changing the inspection frequency for a specific component type. The written notification shall include the reason(s) and date of change to a quarterly inspection frequency. [District Rule 4409, 5.2.11] Federally Enforceable Through Title V Permit
38. A PRD that releases to the atmosphere shall be inspected by the permittee for leaks as soon as practicable but not later than 24 hours after the time of the release. The permittee shall reinspect the PRD for leaks not earlier than 24 hours after the initial inspection but not later than 15 calendar days after the date of the initial release. If the PRD is found by the permittee to be leaking during either inspection, the PRD leak shall be treated as if the leak was found during the required quarterly operator inspections. [District Rule 4409, 5.2.12] Federally Enforceable Through Title V Permit
39. Except for PRDs, a component shall be inspected for leaks not later than 15 calendar days after repairing the leak or replacing the component. [District Rule 4409, 5.2.13] Federally Enforceable Through Title V Permit
40. District inspections shall not be counted as an operator inspection required by District Rule 4409. Any attempt by an operator to count such District inspections as part of the operator's mandatory inspections is considered a willful circumvention of the rule and is a violation of this rule. [District Rule 4409, 5.2.14] Federally Enforceable Through Title V Permit
41. The operator, upon detection of a leaking component, shall affix to that component a weatherproof, readily visible tag, bearing the date and time when the leak was detected and the date and time of the leak measurement. For gaseous leaks, the tag shall indicate the leak concentration in ppmv. For liquid leaks, the tag shall indicate whether it is a major liquid leak or a minor liquid leak. The tag shall indicate, when applicable, whether the component is an essential component, an unsafe-to-monitor component, or a critical component. The tag shall remain in place until the leaking component is repaired or replaced and reinspected and found to be in compliance with the requirements of this rule. [District Rule 4409, 5.3.1] Federally Enforceable Through Title V Permit
42. The operator shall minimize all component leaks immediately, to the extent possible, but not later than one hour after detection of the leak in order to stop or reduce leakage to the atmosphere. If the leak has been minimized but the leak still exceeds the applicable leak standards specified in this permit, the operator shall do one of the following within the timeframes specified within this permit: 1) repair or replace the leaking component; 2) vent the leaking component to a closed vent system; 3) or remove the leaking component from operation. A closed vent system is a District approved system that is not open to the atmosphere. It is composed of hard-piping, ductwork connections and, if necessary, flow inducing devices that transport gas or vapor from a piece or pieces of equipment to a District approved control device that has a overall VOC collection and destruction or removal efficiency of at least 95%, or that transports gases or vapors back to a process system. [District Rule 4409, 5.3.4 and 5.3.5] Federally Enforceable Through Title V Permit

CONDITIONS CONTINUE ON NEXT PAGE

43. The operator shall repair minor gas leaks within seven days. The operator shall repair major gas leaks, which are > 10,000 ppmv but < or equal to 50,000 ppmv, within three days. The operator shall repair major gas leaks, which are > 50,000 ppmv, within two days. The operator shall repair minor liquid leaks within three days. The operator shall repair major liquid leaks within two days. The leak rate measured after leak minimization has been performed shall be the leak rate used to determine the applicable repair period. The start of the repair period shall be the time of the initial leak detection. [District Rule 4409, 5.3.4 and 5.3.5] Federally Enforceable Through Title V Permit.
44. For each calendar quarter, the operator may extend the repair period for a total number of leaking components, not to exceed 0.05 % of the number of components inspected, by type, rounded upward to the nearest whole number. The repair period for minor gas leaks can be extended by seven additional days. The repair period for major gas leaks, which are > 10,000 ppmv but < or equal to 50,000 ppmv, can be extended by two additional days. [District Rule 4409, 5.3.5] Federally Enforceable Through Title V Permit
45. If a leaking component is an essential component or a critical component and which cannot be shut down immediately for repairs, the operator shall do the following: 1) minimize the leak within one hour after detection of the leak; 2) and if the leak has been minimized, but the leak still exceeds the applicable leak standards of Rule 4409 as specified in this permit, the essential component or critical component shall be repaired or replaced to eliminate the leak during the next process unit turnaround. The repair shall occur no later than one year from the date of the original leak detection. [District Rule 4409, 5.3.6] Federally Enforceable Through Title V Permit
46. For any component that has incurred five repair actions for major gas leaks or major liquid leaks, or a combination of major gas leaks and major liquid leaks within a continuous 12-month period, the operator shall do one of the following four options. Options 1a through 1f require written notification to the District, option 2 requires written notification to the District and written District approval, options 3 and 4 do not require written notification to the District: 1a) For compressors replace the existing seal with either a dual mechanical seal, an oil film seal, a gas seal, or a face-type seal; 1b) for pumps replace the pump with a seal-less pump or replace the seal with a dual mechanical seal; 1c) for PRDs replace the PRD and install a rupture disc in the line which precedes the PRD such that the PRD is in series with and follows the rupture disc; 1d) for valves replace the valve with a sealed bellows valve, or for seal rings install graphite or Teflon chevron seal rings in a live-loaded packing gland; 1e) for threaded connections weld the connections or replace threaded connections with flanges; 1f) for sampling connections replace the sampling connection with a closed-loop sampling system; 2) Replace the component with Achieved-in-Practice Best Available Control Technology (BACT) equipment; 3) Vent the component to a District approved closed-vent system; 4) Remove the component from operation. For any component that is accessible, is not unsafe-to-monitor, is not an essential component, or is not a critical component, the operator shall comply with these requirements as soon as practicable but not later than twelve months after the date of detection of the fifth major leak within a continuous 12-month period. For any component that is inaccessible, is unsafe-to-monitor, is essential, or is a critical component, the operator shall comply with these requirements as soon as practicable but not later than the next turnaround or not later than two years after the date of detection of the fifth major leak within a continuous 12-month period, whichever comes first. [District Rule 4409, 5.3.7] Federally Enforceable Through Title V Permit
47. All major components and critical components shall be physically identified clearly and visibly for inspection, repair, and recordkeeping purposes. The physical identification shall consist of labels, tags, manufacturer's nameplate identifier, serial number, or model number, or other system approved by the District that enables an operator or the District to locate each individual component. The operator shall replace physical identifications that become missing or unreadable as soon as practicable but not later than 24 hours after discovery. [District Rule 4409, 5.4.1] Federally Enforceable Through Title V Permit
48. The operator shall keep a copy of the District approved Operator Management Plan (OMP) at the facility and make it available to the District, ARB, and EPA upon request. [District Rule 4409, 6.1.2] Federally Enforceable Through Title V Permit
49. By January 30th of each year the operator shall submit to the District for approval, in writing, an annual report indicating any changes to the existing OMP on file at the District. [District Rule 4409, 6.1.4] Federally Enforceable Through Title V Permit

CONDITIONS CONTINUE ON NEXT PAGE

50. The operator shall maintain an inspection log that has been signed and dated by the facility operator responsible for the inspection, certifying the accuracy of the information recorded in the log. The inspection log shall contain, at a minimum, all of the following information: 1) The total number of components inspected, and the total number and percentage of leaking components found by component types; 2) The location, type, name or description of each leaking component and the description of any unit where the leaking component is found; 3) Date of the leak detection and method of the leak detection; 4) For gaseous leaks, record the leak concentration in ppmv, and for liquid leaks record whether the leak is a major liquid leak or a minor liquid leak; 5) The date of repair, replacement, or removal from operation of the leaking component(s); 6) The identification and location of essential components and critical components found leaking that cannot be repaired until the next process unit turnaround or not later than one year after leak detection, whichever comes first; 7) The method(s) used to minimize the leak from essential components and critical components found leaking that cannot be repaired until the next process unit turnaround or not later than one year after leak detection, whichever comes earlier; 8) The date of re-inspection and the leak concentration in ppmv after the component is repaired or is replaced; 9) The inspector's name, business mailing address, and business telephone number. [District Rule 4409, 6.2.1] Federally Enforceable Through Title V Permit
51. Records of leaks detected during quarterly or annual operator inspections, and each subsequent repair and re-inspection, shall be submitted to the District, ARB, and EPA upon request. [District Rule 4409, 6.2.2] Federally Enforceable Through Title V Permit
52. Records shall be maintained of each calibration of the portable hydrocarbon detection instrument utilized for inspecting components. The records shall include a copy of the current calibration gas certification from the vendor of the calibration gas cylinder, the date of calibration, the concentration of calibration gas, the instrument reading of calibration gas before adjustment, the instrument reading of calibration gas after adjustment, the calibration gas expiration date, and the calibration gas cylinder pressure at the time of calibration. [District Rule 4409, 6.2.3] Federally Enforceable Through Title V Permit
53. All records required by this permit shall be retained on-site for a minimum of five years and made available for District, ARB, and EPA inspection upon request. [District Rule 4409, 6.2.4] Federally Enforceable Through Title V Permit
54. All measurements of gaseous leak concentrations shall be conducted according to EPA Method 21 using an appropriate portable hydrocarbon detection instrument calibrated with methane. The instrument shall be calibrated in accordance with the procedures specified in EPA Method 21 or the manufacturer's instructions not more than 30 days prior to its use. [District Rule 4409, 6.3.1] Federally Enforceable Through Title V Permit
55. The VOC content by weight percent shall be determined using ASTM D-1945 for gases and South Coast Air Quality Management District (SCAQMD) Method 304-91 for liquids. [District Rule 4409, 6.3.2] Federally Enforceable Through Title V Permit
56. The percent by volume liquid evaporated at 302 °F (150 °C) shall be determined using ASTM D-86. [District Rule 4409, 6.3.3] Federally Enforceable Through Title V Permit
57. Halogenated exempt compounds shall be analyzed by EPA Method 18 or ARB Method 422. [District Rule 4409, 6.3.7] Federally Enforceable Through Title V Permit
58. Permittee shall maintain a record of the VOC content test results for a period of five years and make such records available for inspection upon request. [District Rule 1070]
59. All records shall be retained for a period of at least 5 years and shall be made available for District inspection upon request. [District Rule 1070]
60. Prior to operating equipment under this Authority to Construct, permittee shall surrender VOC emission reduction credits for the following quantity of emissions: 1st quarter - 64. lb, 2nd quarter - 64. lb, 3rd quarter - 64. lb, and fourth quarter - 64. lb. Offsets shall be provided at the applicable offset ratio specified in Table 4-2 of Rule 2201 (as amended 9/21/06). [District Rule 2201] Federally Enforceable Through Title V Permit
61. ERC Certificate Numbers S-1704-1 shall be used to supply the required VOC offsets, unless a revised offsetting proposal is received and approved by the District, upon which this Authority to Construct shall be reissued, administratively specifying the new offsetting proposal. Original public noticing requirements, if any, shall be duplicated prior to reissuance of this Authority to Construct. [District Rule 2201] Federally Enforceable Through Title V Permit

CONDITIONS CONTINUE ON NEXT PAGE

62. The District has received and approved a revised offsetting proposal which allows ERC Certificate S-2822-1 to be used as the source of offsets for this Authority to Construct. [District Rule 2201]



AUTHORITY TO CONSTRUCT

PERMIT NO: S-2234-197-0

ISSUANCE DATE: 03/03/2009

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

LOCATION: GAS PLANT
SECTION SE-35, T-30S, R-23E
TUPMAN, CA

EQUIPMENT DESCRIPTION:
ELECTRIC MOTOR DRIVEN COMPRESSOR SKID (K-126) AUTHORIZED FOR OPERATION AT VARIOUS UNSPECIFIED LOCATIONS WITHIN THE GAS PROCESSING STATIONARY SOURCE (S-2234)

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. Operator shall notify the District by letter or fax at least 48-hours in advance of the re-location of this compressor skid. [District Rule 2201]
3. Operator shall maintain records of compressor skid location and dates spent at each location and make such records available for District inspection upon request. [District Rule 2201]
4. Compressor skid shall not operate within 1,000 feet of a kindergarten through 12 grade school. [CH&SC Section 42301.6]
5. Compressor skid shall only be used in conjunction with gas processing operations where gas is routed to a gas plant, sales line, or gas injection well. Compressor skid shall not be used as part of a permitted operation without first obtaining an Authority to Construct to modify the operation to include the compressor skid. [District Rule 2201]
6. Permittee shall maintain accurate component count for compressor skid according to 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 < 10,000 ppmv. Permittee shall update such records when new components are approved and installed. [District Rule 2201]
7. Fugitive VOC emissions from compressor skid shall not exceed 0.7 lb/ day. [District Rule 2201]

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

COPY

DAVID WARNER, Director of Permit Services

S-2234-197-0 : Mar 19 2013 2:07PM - ROEDERS : Job Inspection NOT Required

8. VOC content of the total hydrocarbons in the gas stream handled shall not exceed 100% of the total hydrocarbon content by weight. [District Rules 2201]
9. VOC content of the total hydrocarbons in the gas stream handled shall be tested upon implementation of this Authority to Construct and thereafter not less than annually. [District Rule 2201]
10. The permittee shall not use any components that leak in excess of the applicable leak standards as specified in this permit. Components that have been found leaking in excess of the applicable leak standards of this rule may be used provided such leaking components have been identified with a tag for repair, are repaired, or are awaiting re-inspection after being repaired, within the applicable time period specified in this permit. [District Rule 4409, 5.1.1] Federally Enforceable Through Title V Permit
11. For valves, threaded connections, flanges, pipes, pumps, compressors, and other components subject to the requirements of Rule 4409, but not specified in this permit; a major gas leak is a detection of > 10,000 ppmv as methane; a minor gas leak is a detection of 1,000 to 10,000 ppmv as methane when the component is in liquid service; a minor gas leak is a detection of 2,000 to 10,000 ppmv as methane when the component is in gas/vapor service. [District Rule 4409, 5.1.1] Federally Enforceable Through Title V Permit
12. For pressure relief devices (PRDs); a major gas leak is a detection of > 10,000 ppmv as methane; a minor gas leak is a detection of 200 to 10,000 ppmv as methane when the component is in liquid service; a minor gas leak is a detection of 400 to 10,000 ppmv as methane when the component is in gas/vapor service. [District Rule 4409, 5.1.1] Federally Enforceable Through Title V Permit
13. Minor gas leaks from PRSBs detected during any District inspection shall not be counted toward determination of compliance with this rule provided the permittee repairs, replaces, or removes leaking PRSBs from VOC service as soon as practicable but not later than seven calendar days. [District Rule 4409, 5.1.3.1.2] Federally Enforceable Through Title V Permit
14. Leaks detected during quarterly operator inspections shall not be counted towards determination of compliance with the provisions of Rule 4409 provided the leaking components are repaired as soon as practicable but not later than the time frame specified in this permit. Leaks detected during quarterly operator inspections that are not repaired, replaced, or removed from operation as soon as practicable but not later than the time frame specified in this rule shall be counted toward determination of compliance with the provisions of Rule 4409. [District Rule 4409, 5.1.3.2.1 and 5.1.3.2.2] Federally Enforceable Through Title V Permit
15. Leaking components at this facility detected during annual operator inspections, as required by Rule 4409 for a specific component type, that exceed the leak standards specified in this permit, shall constitute a violation of this rule. This violation is regardless of whether or not the leaking components are repaired, replaced, or removed from operation within the allowable repair time frame specified in this permit. [District Rule 4409, 5.1.3.2.3] Federally Enforceable Through Title V Permit
16. An open-ended line, or a valve located at the end of the line, that is not sealed with either a blind flange, a plug, a cap, or a second closed valve that is not closed at all times, except during attended operations requiring process fluid flow through the open-ended line is a leak. Attended operations include draining or degassing operations, connection of temporary process equipment, sampling of process streams, emergency venting, and other normal operational needs, provided such operations are done as expeditiously as possible and with minimal spillage of material and VOC emissions to the atmosphere. [District Rule 4409, 5.1.4.1] Federally Enforceable Through Title V Permit
17. A leak from a component is when there is a major liquid leak from the component. A major liquid leak from a component is when a visible mist or a continuous flow of liquid, that is not seal lubricant, leaks from the component. [District Rule 4409, 5.1.4.2] Federally Enforceable Through Title V Permit
18. A leak from a component is when gas emissions greater than 50,000 ppmv, as methane, leaks from the component. [District Rule 4409, 5.1.4.3] Federally Enforceable Through Title V Permit
19. A minor liquid leak from a component is when more than three drops of liquid per minute, that is not seal lubricant and is not a major liquid leak, leaks from the component. [District Rule 4409, 5.1.4.4] Federally Enforceable Through Title V Permit

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20. When 200 or fewer valves are inspected, a leak from a valve is when more than one valve has a minor liquid leak, a minor gas leak, or a gas leak > 10,000 ppmv and < or equal to 50,000 ppmv. When greater than 200 valves are inspected, a leak from a valve is when more than 0.5 % (rounded up to the nearest whole number) of the valves have a minor liquid leak, a minor gas leak, or a gas leak > 10,000 ppmv and < or equal to 50,000 ppmv. [District Rule 4409, 5.1.4.4] Federally Enforceable Through Title V Permit
21. When 200 or fewer threaded connections are inspected, a leak from a threaded connection is when more than one threaded connection has a minor liquid leak, a minor gas leak, or a gas leak > 10,000 ppmv and < or equal to 50,000 ppmv. When greater than 200 threaded connections are inspected, a leak from a threaded connection is when more than 0.5 % (rounded up to the nearest whole number) of the threaded connections have a minor liquid leak, a minor gas leak, or a gas leak > 10,000 ppmv and < or equal to 50,000 ppmv. [District Rule 4409, 5.1.4.4] Federally Enforceable Through Title V Permit
22. When 200 or fewer flanges are inspected, a leak from a flange is when more than one flange has a minor liquid leak, a minor gas leak, or a gas leak > 10,000 ppmv and < or equal to 50,000 ppmv. When greater than 200 flanges are inspected, a leak from a flange is when more than 0.5 % (rounded up to the nearest whole number) of the flanges have a minor liquid leak, a minor gas leak, or a gas leak > 10,000 ppmv and < or equal to 50,000 ppmv. [District Rule 4409, 5.1.4.4] Federally Enforceable Through Title V Permit
23. When compressors, PRDs, or other components not specified in this permit are inspected, a leak from these components is when more than one component has a minor liquid leak, a minor gas leak, or a gas leak greater than 10,000 ppmv and less than or equal to 50,000 ppmv. [District Rule 4409, 5.1.4.4] Federally Enforceable Through Title V Permit
24. When 200 or fewer PRSBs are inspected, a leak is when more than four have a minor liquid leak, a minor gas leak, or a gas leak > 10,000 ppmv and < or equal to 50,000 ppmv. When greater than 200 PRSBs are inspected, a leak is when more than 2.0 % (rounded up to the nearest whole number) of the PRSBs have a minor liquid leak, a minor gas leak, or a gas leak > 10,000 ppmv and < or equal to 50,000 ppmv. [District Rule 4409, 5.1.4.4] Federally Enforceable Through Title V Permit
25. When pipes at natural gas processing facilities are inspected, a leak from a pipe is when more than two have a minor liquid leak, a minor gas leak, or a gas leak > 10,000 ppmv and < or equal to 50,000 ppmv. [District Rule 4409, 5.1.4.4] Federally Enforceable Through Title V Permit
26. For manned facilities all accessible operating pumps, compressors, and PRDs, in service, shall be audio-visually inspected for leaks at least once every 24 hours except when operators do not report to the facility during a 24 hour period. [District Rule 4409, 5.2.1] Federally Enforceable Through Title V Permit
27. For unmanned facilities all accessible operating pumps, compressors, and PRDs, in service, shall be audio-visually inspected for leaks at least once per calendar week. [District Rule 4409, 5.2.2] Federally Enforceable Through Title V Permit
28. All accessible operating pumps, compressors, and PRDs, in service, that are found to be leaking by audio-visual inspection shall be attempted to be repaired immediately. The leaking component shall then be tested within 24 hours and, if found leaking again, shall be repaired as soon as practicable but not later than the timeframe specified in this permit. [District Rule 4409, 5.2.3] Federally Enforceable Through Title V Permit
29. Except for inaccessible components, unsafe-to-monitor components, or pipes, all components, in service, shall be tested for leaks at least once every calendar quarter. [District Rule 4409, 5.2.4] Federally Enforceable Through Title V Permit
30. All new, replaced, or repaired fittings, flanges, and threaded connections shall be tested for leaks immediately after being placed into service. [District Rule 4409, 5.2.5] Federally Enforceable Through Title V Permit
31. All inaccessible components shall be tested for leaks at least once every 12 months. [District Rule 4409, 5.2.6] Federally Enforceable Through Title V Permit
32. All unsafe-to-monitor components shall be tested for leaks during each turnaround. [District Rule 4409, 5.2.7] Federally Enforceable Through Title V Permit
33. All pipes shall be visually inspected for leaks at least once every 12 months. [District Rule 4409, 5.2.8] Federally Enforceable Through Title V Permit

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34. All pipes, in service, that are found to be leaking by visual inspection shall be attempted to be repaired immediately. The leaking pipe shall then be tested within 24 hours and, if found leaking again, shall be repaired as soon as practicable but not later than the timeframe specified in this permit. [District Rule 4409, 5.2.8.1] Federally Enforceable Through Title V Permit
35. The annual pipe inspection required by either the Department of Oil, Gas, and Geothermal Resources (DOGGR) pursuant to California Code of Regulation Title 14, Division 2, Subchapter 2, Section 1774 (Oilfield Facilities and Equipment Maintenance), or by the Spill Prevention Control and Countermeasure Plan (SPCC) pursuant to 40 Code of Federal Regulation Part 112 (Oil Prevention and Response: Non-Transportation-Related Onshore and Offshore Facilities) can be used as the annual pipe inspection required by District Rule 4409. [District Rule 4409, 5.2.8.2] Federally Enforceable Through Title V Permit
36. Except for pumps, compressors, and PRDs, the permittee may apply for written approval from the District to change the inspection frequency of accessible components from quarterly to annually for a specific component type provided the following two qualifying requirements are met. During the previous five consecutive quarterly inspections, for the specific component type, there shall be no more leaks than as allowed by this permit. The permittee also shall not have received a Notice of Violation (NOV) from the District during the previous 12 months for violating any provisions of District Rule 4409 for the specific component type. If these two qualifying requirements have not been met, then the inspection frequency shall revert back to quarterly. The written request shall include pertinent documentation to demonstrate that the operator has successfully met the two qualifying requirements. [District Rule 4409, 5.2.9 and 5.2.10] Federally Enforceable Through Title V Permit
37. The permittee shall notify the District in writing within five calendar days after changing the inspection frequency for a specific component type. The written notification shall include the reason(s) and date of change to a quarterly inspection frequency. [District Rule 4409, 5.2.11] Federally Enforceable Through Title V Permit
38. A PRD that releases to the atmosphere shall be inspected by the permittee for leaks as soon as practicable but not later than 24 hours after the time of the release. The permittee shall reinspect the PRD for leaks not earlier than 24 hours after the initial inspection but not later than 15 calendar days after the date of the initial release. If the PRD is found by the permittee to be leaking during either inspection, the PRD leak shall be treated as if the leak was found during the required quarterly operator inspections. [District Rule 4409, 5.2.12] Federally Enforceable Through Title V Permit
39. Except for PRDs, a component shall be inspected for leaks not later than 15 calendar days after repairing the leak or replacing the component. [District Rule 4409, 5.2.13] Federally Enforceable Through Title V Permit
40. District inspections shall not be counted as an operator inspection required by District Rule 4409. Any attempt by an operator to count such District inspections as part of the operator's mandatory inspections is considered a willful circumvention of the rule and is a violation of this rule. [District Rule 4409, 5.2.14] Federally Enforceable Through Title V Permit
41. The operator, upon detection of a leaking component, shall affix to that component a weatherproof, readily visible tag, bearing the date and time when the leak was detected and the date and time of the leak measurement. For gaseous leaks, the tag shall indicate the leak concentration in ppmv. For liquid leaks, the tag shall indicate whether it is a major liquid leak or a minor liquid leak. The tag shall indicate, when applicable, whether the component is an essential component, an unsafe-to-monitor component, or a critical component. The tag shall remain in place until the leaking component is repaired or replaced and reinspected and found to be in compliance with the requirements of this rule. [District Rule 4409, 5.3.1] Federally Enforceable Through Title V Permit
42. The operator shall minimize all component leaks immediately, to the extent possible, but not later than one hour after detection of the leak in order to stop or reduce leakage to the atmosphere. If the leak has been minimized but the leak still exceeds the applicable leak standards specified in this permit, the operator shall do one of the following within the timeframes specified within this permit: 1) repair or replace the leaking component; 2) vent the leaking component to a closed vent system; 3) or remove the leaking component from operation. A closed vent system is a District approved system that is not open to the atmosphere. It is composed of hard-piping, ductwork connections and, if necessary, flow inducing devices that transport gas or vapor from a piece or pieces of equipment to a District approved control device that has a overall VOC collection and destruction or removal efficiency of at least 95%, or that transports gases or vapors back to a process system. [District Rule 4409, 5.3.4 and 5.3.5] Federally Enforceable Through Title V Permit

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43. The operator shall repair minor gas leaks within seven days. The operator shall repair major gas leaks, which are > 10,000 ppmv but < or equal to 50,000 ppmv, within three days. The operator shall repair major gas leaks, which are > 50,000 ppmv, within two days. The operator shall repair minor liquid leaks within three days. The operator shall repair major liquid leaks within two days. The leak rate measured after leak minimization has been performed shall be the leak rate used to determine the applicable repair period. The start of the repair period shall be the time of the initial leak detection. [District Rule 4409, 5.3.4 and 5.3.5] Federally Enforceable Through Title V Permit
44. For each calendar quarter, the operator may extend the repair period for a total number of leaking components, not to exceed 0.05 % of the number of components inspected, by type, rounded upward to the nearest whole number. The repair period for minor gas leaks can be extended by seven additional days. The repair period for major gas leaks, which are > 10,000 ppmv but < or equal to 50,000 ppmv, can be extended by two additional days. [District Rule 4409, 5.3.5] Federally Enforceable Through Title V Permit
45. If a leaking component is an essential component or a critical component and which cannot be shut down immediately for repairs, the operator shall do the following: 1) minimize the leak within one hour after detection of the leak; 2) and if the leak has been minimized, but the leak still exceeds the applicable leak standards of Rule 4409 as specified in this permit, the essential component or critical component shall be repaired or replaced to eliminate the leak during the next process unit turnaround. The repair shall occur no later than one year from the date of the original leak detection. [District Rule 4409, 5.3.6] Federally Enforceable Through Title V Permit
46. For any component that has incurred five repair actions for major gas leaks or major liquid leaks, or a combination of major gas leaks and major liquid leaks within a continuous 12-month period, the operator shall do one of the following four options. Options 1a through 1f require written notification to the District, option 2 requires written notification to the District and written District approval, options 3 and 4 do not require written notification to the District: 1a) For compressors replace the existing seal with either a dual mechanical seal, an oil film seal, a gas seal, or a face-type seal; 1b) for pumps replace the pump with a seal-less pump or replace the seal with a dual mechanical seal; 1c) for PRDs replace the PRD and install a rupture disc in the line which precedes the PRD such that the PRD is in series with and follows the rupture disc; 1d) for valves replace the valve with a sealed bellows valve, or for seal rings install graphite or Teflon chevron seal rings in a live-loaded packing gland; 1e) for threaded connections weld the connections or replace threaded connections with flanges; 1f) for sampling connections replace the sampling connection with a closed-loop sampling system; 2) Replace the component with Achieved-in-Practice Best Available Control Technology (BACT) equipment; 3) Vent the component to a District approved closed-vent system; 4) Remove the component from operation. For any component that is accessible, is not unsafe-to-monitor, is not an essential component, or is not a critical component, the operator shall comply with these requirements as soon as practicable but not later than twelve months after the date of detection of the fifth major leak within a continuous 12-month period. For any component that is inaccessible, is unsafe-to-monitor, is essential, or is a critical component, the operator shall comply with these requirements as soon as practicable but not later than the next turnaround or not later than two years after the date of detection of the fifth major leak within a continuous 12-month period, whichever comes first. [District Rule 4409, 5.3.7] Federally Enforceable Through Title V Permit
47. All major components and critical components shall be physically identified clearly and visibly for inspection, repair, and recordkeeping purposes. The physical identification shall consist of labels, tags, manufacturer's nameplate identifier, serial number, or model number, or other system approved by the District that enables an operator or the District to locate each individual component. The operator shall replace physical identifications that become missing or unreadable as soon as practicable but not later than 24 hours after discovery. [District Rule 4409, 5.4.1] Federally Enforceable Through Title V Permit
48. The operator shall keep a copy of the District approved Operator Management Plan (OMP) at the facility and make it available to the District, ARB, and EPA upon request. [District Rule 4409, 6.1.2] Federally Enforceable Through Title V Permit
49. By January 30th of each year the operator shall submit to the District for approval, in writing, an annual report indicating any changes to the existing OMP on file at the District. [District Rule 4409, 6.1.4] Federally Enforceable Through Title V Permit

CONDITIONS CONTINUE ON NEXT PAGE

50. The operator shall maintain an inspection log that has been signed and dated by the facility operator responsible for the inspection, certifying the accuracy of the information recorded in the log. The inspection log shall contain, at a minimum, all of the following information: 1) The total number of components inspected, and the total number and percentage of leaking components found by component types; 2) The location, type, name or description of each leaking component and the description of any unit where the leaking component is found; 3) Date of the leak detection and method of the leak detection; 4) For gaseous leaks, record the leak concentration in ppmv, and for liquid leaks record whether the leak is a major liquid leak or a minor liquid leak; 5) The date of repair, replacement, or removal from operation of the leaking component(s); 6) The identification and location of essential components and critical components found leaking that cannot be repaired until the next process unit turnaround or not later than one year after leak detection, whichever comes first; 7) The method(s) used to minimize the leak from essential components and critical components found leaking that cannot be repaired until the next process unit turnaround or not later than one year after leak detection, whichever comes earlier; 8) The date of re-inspection and the leak concentration in ppmv after the component is repaired or is replaced; 9) The inspector's name, business mailing address, and business telephone number. [District Rule 4409, 6.2.1] Federally Enforceable Through Title V Permit
51. Records of leaks detected during quarterly or annual operator inspections, and each subsequent repair and re-inspection, shall be submitted to the District, ARB, and EPA upon request. [District Rule 4409, 6.2.2] Federally Enforceable Through Title V Permit
52. Records shall be maintained of each calibration of the portable hydrocarbon detection instrument utilized for inspecting components. The records shall include a copy of the current calibration gas certification from the vendor of the calibration gas cylinder, the date of calibration, the concentration of calibration gas, the instrument reading of calibration gas before adjustment, the instrument reading of calibration gas after adjustment, the calibration gas expiration date, and the calibration gas cylinder pressure at the time of calibration. [District Rule 4409, 6.2.3] Federally Enforceable Through Title V Permit
53. All records required by this permit shall be retained on-site for a minimum of five years and made available for District, ARB, and EPA inspection upon request. [District Rule 4409, 6.2.4] Federally Enforceable Through Title V Permit
54. All measurements of gaseous leak concentrations shall be conducted according to EPA Method 21 using an appropriate portable hydrocarbon detection instrument calibrated with methane. The instrument shall be calibrated in accordance with the procedures specified in EPA Method 21 or the manufacturer's instructions not more than 30 days prior to its use. [District Rule 4409, 6.3.1] Federally Enforceable Through Title V Permit
55. The VOC content by weight percent shall be determined using ASTM D-1945 for gases and South Coast Air Quality Management District (SCAQMD) Method 304-91 for liquids. [District Rule 4409, 6.3.2] Federally Enforceable Through Title V Permit
56. The percent by volume liquid evaporated at 302 °F (150 °C) shall be determined using ASTM D-86. [District Rule 4409, 6.3.3] Federally Enforceable Through Title V Permit
57. Halogenated exempt compounds shall be analyzed by EPA Method 18 or ARB Method 422. [District Rule 4409, 6.3.7] Federally Enforceable Through Title V Permit
58. Permittee shall maintain a record of the VOC content test results for a period of five years and make such records available for inspection upon request. [District Rule 1070]
59. All records shall be retained for a period of at least 5 years and shall be made available for District inspection upon request. [District Rule 1070]
60. Prior to operating equipment under this Authority to Construct, permittee shall surrender VOC emission reduction credits for the following quantity of emissions: 1st quarter - 64. lb, 2nd quarter - 64. lb, 3rd quarter - 64. lb, and fourth quarter - 64. lb. Offsets shall be provided at the applicable offset ratio specified in Table 4-2 of Rule 2201 (as amended 9/21/06). [District Rule 2201] Federally Enforceable Through Title V Permit
61. ERC Certificate Numbers S-1704-1 shall be used to supply the required VOC offsets, unless a revised offsetting proposal is received and approved by the District, upon which this Authority to Construct shall be reissued, administratively specifying the new offsetting proposal. Original public noticing requirements, if any, shall be duplicated prior to reissuance of this Authority to Construct. [District Rule 2201] Federally Enforceable Through Title V Permit

CONDITIONS CONTINUE ON NEXT PAGE

62. The District has received and approved a revised offsetting proposal which allows ERC Certificate S-2822-1 to be used as the source of offsets for this Authority to Construct. [District Rule 2201]

ATTACHMENT C

Emissions Increases

Emission Increases (lb/year)					
	NO _x	SO _x	PM ₁₀	CO	VOC
S-2234-196-0	0	0	0	0	256
S-2234-197-0	0	0	0	0	256
Total Increases	0	0	0	0	512

ATTACHMENT D

Application

San Joaquin Valley Air Pollution Control District RECEIVED

www.valleyair.org

AUG 10 2011

Permit Application For:

SJVAPCD
Southern Region

[] ADMINISTRATIVE AMENDMENT [X] MINOR MODIFICATION [] SIGNIFICANT MODIFICATION

1. PERMIT TO BE ISSUED TO: Occidental of Elk Hills, Inc.	
2. MAILING ADDRESS:	
STREET/P.O. BOX: 10800 Stockdale Highway	
CITY: Bakersfield	STATE: CA
	9-DIGIT ZIP CODE: 93311
3. LOCATION WHERE THE EQUIPMENT WILL BE OPERATED:	INSTALLATION DATE:
STREET: Elk Hills	CITY: Tupman
_____ 1/4 SECTION _____ TOWNSHIP _____ RANGE _____	
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)	
S-2234-196-0 and 197-0	
6. TYPE OR PRINT NAME OF APPLICANT:	TITLE OF APPLICANT:
Dennis J. Champion, PE	Sr Environmental Engineer
7. SIGNATURE OF APPLICANT:	DATE:
	08/04/11
	PHONE (661) 412-5214
	FAX: (661) 412-5270
	EMAIL: Dennis_champion@oxy.com

For APCD Use Only:

DATE STAMP	FILING FEE RECEIVED: \$ _____ CHECK#: _____ DATE PAID: _____ PROJECT NO: _____ FACILITY ID: _____
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AUG 10 2011

SJVAPCD
Southern Region

San Joaquin Valley Unified Air Pollution Control District

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 - 2234
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:

Armando H. Gonzalez
Signature of Responsible Official

August 4, 2011
Date

Armando Gonzalez

Name of Responsible Official (please print)

Manager, Health, Environment, Safety, and Security

Title of Responsible Official (please print)