San Joaquin Valley
AIR POLLUTION CONTROL DISTRICT

HEALTHY AIR LIVING™

MAY 29 2014

Mr. Jerry Frost
Vintage Production California LLC
9600 Ming Avenue
Bakersfield, CA 93311

Re: Proposed Authority to Construct/Certificate of Conformity (Minor Mod)
District Facility # S-1326
Project # S-1142087

Dear Mr. Frost:

Enclosed for your review is the District's analysis of an application for Authorities to Construct for the facility identified above. You requested that Certificates of Conformity with the procedural requirements of 40 CFR Part 70 be issued with this project. Vintage proposes the installation of three fixed roof crude oil storage tanks and connecting them to an existing vapor control system listed on Permit S-1326-263.

After addressing all comments made during the 45-day EPA comment period, the District intends to issue the Authorities to Construct with Certificates of Conformity. Prior to operating with modifications authorized by the Authorities to Construct, the facility must submit an application to modify the Title V permit as an administrative amendment, in accordance with District Rule 2520, Section 11.5.

If you have any questions, please contact Mr. Leonard Scandura, Permit Services Manager, at (661) 392-5500.

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

www.valleyair.org www.healthyairliving.com

MAY 29 2014

Thank you for your cooperation in this matter.

Sincerely,

for Arnaud Marjollet
Director of Permit Services

Enclosures

cc: Gerardo C. Rios, EPA (w/enclosure) via email

Authority to Construct
Application Review

Fixed Roof Oil Field Production Tank < 5000 BBLs
Emissions Less than 6 tons/year, Heavy Oil,
Connected to Vapor Control, Not subject to NSPS

Facility Name:	Vintage Production California LLC	Engineer:	Steve Davidson
Mailing Address:	9600 Ming Avenue Bakersfield, CA 93311	Date:	May 22, 2014
		Lead Engineer:	Allan Phillips
Contact Person:	Jerry Frost		
Telephone:	(661) 869-8000		
Fax:	(661) 869-8059		
e-mail	Jerry_Frost@oxy.com		
Project #	S1142087		
Application #(s):	S-1326-263-24, '-444-0, '-445-0, and '-446-0		

MAY 23 2014

I. Proposal

Vintage Production California LLC, (Vintage) is applying for an Authority to Construct (ATC) permit for the installation of three fixed roof crude oil storage tanks. The new tanks will be connected to an existing vapor control system listed on Permit S-1326-263. The current ATC for tank S-1326-263 and vapor control system are included in Attachment A.

Since this source is not included in the 28 specific source categories specified in 40 CFR 51.165, the increases in fugitive emissions are not included in calculating emissions for a Federal major Source. All the emissions associated with this project are fugitive; therefore, this project is not a SB 288 Major Modification, a Federal major Modification, or a Rule 2410 Major Modification.

ATC S-1326-263-22 will be implemented prior to or concurrent with this project.

Vintage has a Title V Permit. This modification can be classified as a Title V minor modification pursuant to Rule 2520, Section 3.20, and can be processed with a Certificate of Conformity (COC). Since the facility has specifically requested that this project be processed in that manner, the 45-day EPA comment period will be satisfied prior to the issuance of the Authority to Construct. Vintage must apply to administratively amend their Title V Operating Permit to include the requirements of the ATC(s) issued with this project.

II. Applicable Rules

Rule 2201 New and Modified Stationary Source Review Rule (4/21/11)
Rule 2520 Federally Mandated Operating Permits (6/21/01)
Rule 2530 Federally Enforceable Potential to Emit (12/21/2001)
Rule 2410 Prevention of Significant Deterioration (Adopted 6/16/11, effective 11/26/12)
Rule 4001 New Source Performance Standards,

Subpart Kb (Amended 4/14/99) - Standards of Performance for Volatile Organic Liquid Storage Vessels (Including Petroleum Liquid Storage Vessels) Is not applicable. This subpart does not apply to vessels with a design capacity ≤ 1,589.874 m^3 (≤ 420,000 gallons) used for petroleum or condensate stored, processed, or treated prior to custody transfer. The capacity of these tanks is ≤ 420,000 gallons, and they store crude oil prior to custody transfer; therefore, this subpart does not apply to the tanks in this project.

Subpart OOOO (Adopted 8/16/2012) - Standards of Performance for Crude Oil and Natural Gas Production, Transmission, and Distribution.

Rule 4101 Visible Emissions (02/17/05)
Rule 4102 Nuisance (12/17/92)
Rule 4623 Storage of Organic Liquids (05/19/05)
CH&SC 41700 Health Risk Assessment
CH&SC 42301.6 School Notice
Public Resources Code 21000-21177: California Environmental Quality Act (CEQA)
California Code of Regulations, Title 14, Division 6, Chapter 3, Sections 15000-15387: CEQA Guidelines

III. Project Location

The facility is located at Vintage's Heavy Oil Central Stationary Source within the Kern Front Oil Field (SW/4 Sec:23, Township: 28S, Range 27E). The tanks are not located within 1,000 feet of the outer boundary of any K-12 school, Therefore, pursuant to CH&SC 42301.6, California Health and Safety Code (School Notice), public notification is not required.

IV. Process Description

The tanks and vessels at the tank battery receive production prior to custody transfer. The tanks in this project operate as Crude oil storage tanks.

VOC emissions from the tanks are controlled by a shared vapor control system in accordance with S-1326-263's permit conditions. The vapor control system collects vapors from the tanks and routes the uncondensed vapors to a VOC control device that reduces inlet VOC emissions by at least 99% by weight.

The components required for the tie-in of the tanks, valves, flanges, connections, etc. will be assigned zero emissions in accordance with District policy SSP 2015. This policy stipulates that components in heavy oil liquid service and components in vapor service with streams having less than 10% VOC will not be assessed VOC emissions.

A process flow diagram of the facility is found in Attachment B.

V. Equipment Listing

Pre-Project Equipment Description:

ATC S-1326-263-22: MODIFICATION OF 3,000 BBL FIXED ROOF WASH TANK SERVED BY TANK VAPOR CONTROL SYSTEM SHARED WITH CASING VENT RECOVERY (CVR) SYSTEM LISTED ON S-1326-287 AND CRUDE OIL STORAGE TANKS S-1326-263, -279, -280, - 281, -283, -285, AND '-315 (SECTION 23 FACILITY): ADD STEAM GENERATORS S-1326-419 THROUGH '-425 AS GAS DISPOSAL DEVICES

Proposed Modification:

Install three fixed roof crude oil storage tanks and connect them to the existing vapor control system listed on Permit S-1326-263.

S-1326-263-23: MODIFICATION OF 3,000 BBL FIXED ROOF WASH TANK SERVED BY TANK VAPOR CONTROL SYSTEM SHARED WITH CASING VENT RECOVERY (CVR) SYSTEM LISTED ON S-1326-287 AND CRUDE OIL STORAGE TANKS S-1326-263, -279, -280, - 281, -283, -285, AND '-315 (SECTION 23 FACILITY): CONNECT TANKS S-1326-444, '-445, AND '-446 TO THE VAPOR CONTROL SYSTEM

S-1326-444-0: 2500 BBL FIXED ROOF CRUDE OIL TANK VENTED TO VAPOR CONTROL SYSTEM LISTED ON TANK S-1326-263

S-1326-445-0: 6300 BBL FIXED ROOF CRUDE OIL TANK VENTED TO VAPOR CONTROL SYSTEM LISTED ON TANK S-1326-263

S-1326-446-0: 6300 BBL FIXED ROOF CRUDE OIL TANK VENTED TO VAPOR CONTROL SYSTEM LISTED ON TANK S-1326-263

Post Project Equipment Description:

S-1326-263-23: 3,000 BBL FIXED ROOF WASH TANK SERVED BY TANK VAPOR CONTROL SYSTEM SHARED WITH CASING VENT RECOVERY (CVR) SYSTEM LISTED ON S-1326-287 AND CRUDE OIL STORAGE TANKS S-1326-263, -279, -280, - 281, - 283, -285, '-315, '-444, '-445, AND '-446 (SECTION 23 FACILITY)

S-1326-444-0: 2500 BBL FIXED ROOF CRUDE OIL TANK VENTED TO VAPOR CONTROL SYSTEM LISTED ON TANK S-1326-263

S-1326-445-0: 6300 BBL FIXED ROOF CRUDE OIL TANK VENTED TO VAPOR CONTROL SYSTEM LISTED ON TANK S-1326-263

S-1326-446-0: 6300 BBL FIXED ROOF CRUDE OIL TANK VENTED TO VAPOR CONTROL SYSTEM LISTED ON TANK S-1326-263

VI. Emission Control Technology Evaluation

The tank vapor control system collects vapors from tanks permits S-1326-263, -279, -280, - 281, -283, -285, '-315, '-444, '-445, '-446 and the TEOR operation listed on permit S-1326-287, removes entrained liquid in knockout vessels and scrubber vessels, condenses vapors in heat exchangers, and routes the uncondensed vapors to approved disposal devices. The collected vapor in this project is disposed of downhole or burned in devices approved for that purpose. There will be no change in emission control technology; therefore, no further discussion is required. The efficiency of the vapor control system is at least 99%.

VII. General Calculations

Per FYI-111, modifying the tank vapor control system to connect a new tank to the system is not a NSR modification; therefore, tank S-1326-263-24 is not being modified and does not require calculations.

The VOC content of the vapors is less than 10% by weight. Per SSP -2015, Procedures for Quantifying Fugitive VOC Emissions at Petroleum and SOCMI Facilities, piping and components handling fluid streams with a VOC content of 10% or less by weight (i.e. VOCs as a percentage of the entire gas stream) are not assessed emissions. PE = 0.0 lb/day, However, per FYI 283, Quantifying

management review (RMR), emisisons are calculated in attachment C for new tanks S-1326-444-0, '-445-0, and '-446-0.

A. Assumptions

VOC content of hydrocarbons in the gas stream are < 10% by weight. In accordance with District SSP 2015 policy "Quantifying Fugitive VOC Emissions at Petroleum and SOCMI Facilities", VOC emissions are not assessed to piping and components handling vapor streams with a VOC content of 10% or less by weight and condensate streams having a water content greater than 50%. Therefore, fugitive emissions components do not emit VOCs and there are no post project emissions associated with this project (i.e. PE2 = 0 lb/day and 0 lb/year).

B. Emission Factors

VOC content of hydrocarbons in the gas stream are < 10% by weight. In accordance with District SSP 2015 policy "Quantifying Fugitive VOC Emissions at Petroleum and SOCMI Facilities", VOC emissions are not assessed to piping and components handling vapor streams with a VOC content of 10% or less by weight and condensate streams having a water content greater than 50%. Therefore, fugitive emissions components do not emit VOCs and there are no post project emissions associated with this project (i.e. PE2 = 0 lb/day and 0 lb/year).

C. Calculations

1. Pre-Project Potential to Emit, (PE_1)

Since tanks S-1326-444-0, '-445-0, and '-446-0 are new tanks, the $PE_1 = 0$

2. Post Project Potential to Emit, (PE_2)

Post-project potential to emit is calculated based on the fugitive component counts. The following table summarizes the post-project potential to emit for units included in this project.

Permit Unit	VOC - Daily PE2 (lb/day)	VOC - Annual PE2 (lb/Year)
S-1326-444-0	0	0
S-1326-445-0	0	0
S-1326-446-0	0	0

3. Pre-Project Stationary Source Potential to Emit (SSPE1)

Pursuant to District Rule 2201, the SSPE1 is the Potential to Emit (PE) from all units with valid Authorities to Construct (ATC) or Permits to

Operate (PTO) at the Stationary Source and the quantity of Emission Reduction Credits (ERC) which have been banked since September 19, 1991 for Actual Emissions Reductions (AER) that have occurred at the source, and which have not been used on-site.

Applicant stipulates that the pre-project, facility-wide VOC emissions exceed both the offset threshold for VOC's (20,000 lb VOC/ yr) and the Major Source threshold for VOC's (20,000 lb VOC/ yr). No other pollutants are emitted by this project; therefore, SSPE1 calculations for these pollutants are not necessary.

4. Post-Project Stationary Source Potential to Emit (SSPE2)

Pursuant to District Rule 2201, the SSPE2 is the PE from all units with valid ATCs or PTOs at the Stationary Source and the quantity of ERCs which have been banked since September 19, 1991 for AER that have occurred at the source, and which have not been used on-site.

As noted above, the facilty is an existing Major Source for VOC's, and the facility-wide VOC emissions already exceed the offset threshold for VOC's. Therefore the facility not becoming a Major Source for VOC's as a result of this project. No other pollutants are emitted by this project; therefore, no SSPE2 calculations are necessary.

5. Major Source Determination

Rule 2201 Major Source Determination:

Pursuant to District Rule 2201, a Major Source is a stationary source with a SSPE2 equal to or exceeding one or more of the following threshold values. For the purposes of determining major source status the following shall not be included:

- any ERCs associated with the stationary source
- Emissions from non-road IC engines (i.e. IC engines at a particular site at the facility for less than 12 months)
- Fugitive emissions, except for the specific source categories specified in 40 CFR 51.165

This source concedes that it is an existing Major Source for VOC emissions and will remain a Major Source for VOC. No change in other pollutants are proposed or expected as a result of this project.

Rule 2410 Major Source Determination:

Since this source is not included in the 28 specific source categories specified in 40 CFR 51.165, the increases in fugitive emissions are not included in the Rule 2410 Major Source Determination. All post project emissions associated with this project are fugitive emissions; therefore, a Rule 2410 Major source determination is not required.

6. Baseline Emissions (BE)

a. Annual BE

The BE calculation (in lbs/year) is performed pollutant-by-pollutant for each unit within the project to calculate the QNEC, and if applicable, to determine the amount of offsets required.

BE = Pre-project Potential to Emit for:

- Any unit located at a non-Major Source,
- Any Highly-Utilized Emissions Unit, located at a Major Source,
- Any Fully-Offset Emissions Unit, located at a Major Source, or
- Any Clean Emissions Unit, Located at a Major Source.

otherwise,

BE = Historic Actual Emissions (HAE), calculated pursuant to Section 3.23

Since tanks S-1326-444-0, '-445-0, and '-446-0 are new tanks, the BE is equal zero.

7. SB 288 Major Modification

SB 288 Major Modification is defined in 40 CFR Part 51.165 as "any physical change in or change in the method of operation of a major stationary source that would result in a significant net emissions increase of any pollutant subject to regulation under the Act."

Since this source is not included in the 28 specific source categories specified in 40 CFR 51.165, the, increases in fugitive emissions are not included in the SB 288 Major Modification calculation.

8. Federal Major Modification

District Rule 2201 states that a Federal Major Modification is the same as a "Major Modification" as defined in 40 CFR 51.165 and part D of Title I of the CAA.

Since this source is not included in the 28 specific source categories specified in 40 CFR 51.165, the increases in fugitive emissions are not included in the Federal Major Modification determination.

9. Rule 2410 – Prevention of Significant Deterioration (PSD) Applicability Determination

Since this source is not included in the 28 specific source categories specified in 40 CFR 51.165, the increases in fugitive emissions are not included in the Rule 2410 Prevention of Significant Deterioration (PSD) Applicability determination. All post project emissions associated with this project are fugitive emissions; therefore, a Rule 2410 Prevention of Significant Deterioration (PSD) Applicability determination is not required.

VIII. Compliance

Rule 2201 - New and Modified Stationary Source Review Rule

New and Modified Source Review (NSR) addresses requirements such as Best Available Control Technology (BACT), offsets and public notice. This project is an NSR modification under Rule 2201 § 3.26 However, District Policy APR 1130 states:

> "*District policy is to consider an IPE of less than 0.5 lb/day to be rounded to zero for the purposes of triggering NSR requirements and therefore the requirements are not triggered.*"

Therefore, Rule 2201 does not require BACT, offsets, and public notice under District Policy APR 1130.

A. Daily Emissions Limits (DEL)

DELs and other enforceable conditions are required by Rule 2201 to restrict a unit's maximum daily emissions, to a level at or below the emissions associated with the maximum design capacity. The DEL must be contained in the latest ATC and contained in or enforced by the latest PTO and enforceable, in a practicable manner, on a daily basis. DELs are also required to enforce the applicability of BACT.

practicable manner, on a daily basis. DELs are also required to enforce the applicability of BACT.

DELs for the emission units in this project will be included on the ATCs in the form of VOC content of the gasbeing controlled. The permittee will be required to maintain accurate records of VOC content of the gas to validate the DEL.

- The VOC content of the vapors shall not exceed 10% by weight. [District Rule 2201]

E. Compliance Assurance

The following measures shall be taken to ensure continued compliance with District Rules:

1. **Source Testing**

   Pursuant to District Policy APR 1705, source testing is not required to demonstrate compliance with Rule 2201.

2. **Monitoring**

   Gas sampling of the gas is required. The following permit conditions will ensure continued compliance:

   - Operator shall conduct quarterly gas sampling for exemption from fugitive component counts for components handling fluids with VOC content equal to or less than 10% by weight. If gas samples are equal to or less than 10% VOC by weight for 8 consecutive quarterly samplings, sampling frequency shall only be required annually. [District Rule 2201]

3. **Record Keeping**

   Recordkeeping is required to demonstrate compliance with the offset, public notification and daily emission limit requirements of Rule 2201. The following conditions will appear on the permits:

   - The permittee shall keep accurate records of the dates of inspection and monitoring and the components inspected and monitored. [District Rule 2201]

   - {2490} All records required to be maintained by this permit shall be maintained for a period of at least five years and shall be made readily available for District inspection upon request. [District Rule 4623] N

4. Reporting

No reporting is required to demonstrate compliance with Rule 2201.

Rule 2410 Prevention of Significant Deterioration

Since this source is not included in the 28 specific source categories specified in 40 CFR 51.165, the increases in fugitive emissions are not included in the Rule 2410 Major Source Determination. All post project emissions associated with this project are fugitive emissions; therefore, Rule 2410 does not apply.

Rule 2520 Federally Mandated Operating Permits

This facility is subject to this rule, and has received their Title V Operating Permit. The proposed modification is a Minor Modification to the Title V Permit pursuant to Section 3.20 of this rule. As discussed above, the facility has applied for a Certificate of Conformity (COC); therefore, the facility must apply to modify their Title V permit with an administrative amendment, prior to operating with the proposed modifications. Continued compliance with this rule is expected.

Rule 4001 New Source Performance Standards

This rule incorporates the New Source Performance Standards from 40 CFR Part 60. 40 CFR Part 60, Subparts, K, Ka, Kb, and OOOO and could potentially apply to the storage tanks located at this facility.

40 CFR Part 60, Subparts, K, Ka, and Kb could potentially apply to the storage tanks located at this facility. However, pursuant to 40 CFR 60.110 (b), 60.110(a) (b), and 60.110(b) (b), these subparts do not apply to storage vessels less than 10,000 bbls, used for petroleum or condensate, that is stored, processed, and/or treated at a drilling and production facility prior to custody transfer.

40 CFR Part 60, Subpart OOOO—Standards of Performance for Crude Oil and Natural Gas Production, Transmission and Distribution (constructed, reconstructed, or modified after 8/23/11) applies to single storage vessel, located in the oil and natural gas production segment, natural gas processing segment or natural gas transmission and storage segment. The subject tanks are subject to this subpart. However, Subpart OOOO has no standards for tanks with annual VOC emissions less than 6 tons per year. Therefore, the subject tanks are not an affected facility and subpart OOOO does not apply.

Therefore, the requirements of this subpart are not applicable to this project.

Rule 4101 - Visible Emissions

Rule 4101 states that no air contaminant shall be discharged into the atmosphere for a period or periods aggregating more than three minutes in any one hour which is as dark as, or darker than, Ringelmann 1 or 20% opacity.

As long as the equipment is properly maintained and operated, compliance with visible emissions limits is expected under normal operating conditions.

Rule 4102 - Public Nuisance

Rule 4102 prohibits discharge of air contaminants which could cause injury, detriment, nuisance or annoyance to the public. Public nuisance conditions are not expected as a result of these operations, provided the equipment is well maintained. Therefore, compliance with this rule is expected.

CH&SC 41700 - California Health and Safety Code

District Policy APR 1905 – *Risk Management Policy for Permitting New and Modified Sources* specifies that for an increase in emissions associated with a proposed new source or modification, the District perform an analysis to determine the possible impact to the nearest resident or worksite.

An HRA is not required for a project with a total facility prioritization score of less than one. According to the Technical Services Memo for this project (**Attachment E**), the total facility prioritization score including this project was greater than one. Therefore, an HRA was required to determine the short-term acute and long-term chronic exposure from this project.

The health risk for this project is shown below:

RMR Summary			
Categories	**Three Storage Tanks (Units 444-0 thru 446-0)**	**Project Totals**	**Facility Totals**
Prioritization Score	0.00	0.00	>1
Acute Hazard Index	8.10E-4	8.10E-4	0.13
Chronic Hazard Index	2.2E-5	2.2E-5	0.04
Maximum Individual Cancer Risk	**2.0E-09**	2.0E-09	5.5E-06

Discussion of T-BACT

BACT for toxic emission control (T-BACT) is required if the cancer risk exceeds one in one million. As demonstrated above, T-BACT is not required for this project because the HRA indicates that the risk is not above the District's

thresholds for triggering T-BACT requirements; therefore, compliance with the District's Risk Management Policy is expected.

Rule 4623, *Storage of Organic Liquids*

This rule applies to any tank with a capacity of 1,100 gallons or greater in which any organic liquid is placed, held, or stored.

The affected tanks are served by a vapor control system that has a control efficiency of at least 95%. This rule also requires the tank and tank vapor control system to be maintained in a leak-free condition. Leak-free is defined in the rule as no readings on a portable VOC detection device greater than 10,000 ppmv above background and no dripping of organic liquid at a rate of more than 3 drops per minute.

All the tanks in this project are equipped with a vapor control system with a VOC control efficiency of 95%. No throughput/TVP records are required to be kept for fixed-roof tanks equipped with vapor control. Applicant has elected to participate in the voluntary tank preventive inspection, maintenance, and tank cleaning program. Tank cleaning will be conducted according to the requirements of Table 6.

Compliance with the requirements of this rule is expected.

CH&SC 42301.6 California Health & Safety Code (School Notice)

The District has verified that this site is not located within 1,000 feet of a school. Therefore, pursuant to California Health and Safety Code 42301.6, a school notice is not required.

California Environmental Quality Act (CEQA)

The California Environmental Quality Act (CEQA) requires each public agency to adopt objectives, criteria, and specific procedures consistent with CEQA Statutes and the CEQA Guidelines for administering its responsibilities under CEQA, including the orderly evaluation of projects and preparation of environmental documents. The San Joaquin Valley Unified Air Pollution Control District (District) adopted its *Environmental Review Guidelines* (ERG) in 2001.

The basic purposes of CEQA are to:

- Inform governmental decision-makers and the public about the potential, significant environmental effects of proposed activities.
- Identify the ways that environmental damage can be avoided or significantly

reduced.

- Prevent significant, avoidable damage to the environment by requiring changes in projects through the use of alternatives or mitigation measures when the governmental agency finds the changes to be feasible.
- Disclose to the public the reasons why a governmental agency approved the project in the manner the agency chose if significant environmental effects are involved.

The tanks are equipped with a 95% efficient vapor controls satisfies the Best Performance Standards (BPS) for Front-line Organic Liquid Storage Tanks, Fixed Roof Tanks < 5,000 bbl. The District therefore concludes that the project would have a less than cumulatively significant impact on global climate change and no other discussion for green house gas emissions is required.

District CEQA Findings

The District is the Lead Agency for this project because there is no other agency with broader statutory authority over this project. The District performed an Engineering Evaluation (this document) for the proposed project and determined that the activity will occur at an existing facility and the project involves negligible expansion of the existing use. Furthermore, the District determined that the activity will not have a significant effect on the environment. The District finds that the activity is categorically exempt from the provisions of CEQA pursuant to CEQA Guideline § 15031 (Existing Facilities), and finds that the project is exempt per the general rule that CEQA applies only to projects which have the potential for causing a significant effect on the environment (CEQA Guidelines §15061(b)(3)).

IX. Recommendations

Compliance with all applicable rules and regulations is expected. Pending a successful EPA Public Noticing period, issue Authority to Construct S-1326-263-24, '-444-0, '-445-0, and '-446-0 subject to the permit conditions on the attached draft Authorities to Construct in Attachment I.

X. Billing Information

Permit Number	Fee Schedule	Fee Description	Annual Fee
S-1326-263-24	3020-5-E	3000 BBLs	$246
S-1326-444-0	3020-5-E	2500 BBLs	$246
S-1326-445-0	3020-5-E	6300 BBLs	$246
S-1326-446-0	3020-5-E	6300 BBLs	$246

ATTACHMENT A:	Current Permit S-1326-263-22
ATTACHMENT B:	Process Flow Diagram
ATTACHMENT C:	Emissions Calculations
ATTACHMENT D:	QNEC Calculations
ATTACHMENT E:	Health Risk Assessment
ATTACHMENT F:	Location Map
ATTACHMENT G	Emissions Profiles
ATTACHMENT H:	Title V- Complaince Certification Form
ATTACHMENT I:	Draft ATC(s)

ATTACHMENT A
Current ATC S-1326-263-22

San Joaquin Valley
AIR POLLUTION CONTROL DISTRICT

HEALTHY AIR LIVING™

AUTHORITY TO CONSTRUCT

PERMIT NO: S-1326-263-22 **ISSUANCE DATE:** 03/20/2014

LEGAL OWNER OR OPERATOR: VINTAGE PRODUCTION CALIFORNIA LLC
MAILING ADDRESS: 9600 MING AVE, SUITE 300
BAKERSFIELD, CA 93311

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LOCATION: HEAVY OIL CENTRAL STATIONARY SOURCE
KERN COUNTY, CA

SECTION: SW23 **TOWNSHIP:** 28S **RANGE:** 27E

EQUIPMENT DESCRIPTION:
MODIFICATION OF 3,000 BBL FIXED ROOF WASH TANK SERVED BY TANK VAPOR CONTROL SYSTEM SHARED WITH CASING VENT RECOVERY (CVR) SYSTEM LISTED ON S-1326-287 AND CRUDE OIL STORAGE TANKS S-1326-263, -279, -280, - 281, -283, -285, AND '-315 (SECTION 23 FACILITY): ADD STEAM GENERATORS S-1326-419 THROUGH '-425 AS GAS DISPOSAL DEVICES

CONDITIONS

1. Authority to Construct (ATC) S-1326-263-21 shall be implemented prior to or concurrently with this ATC. [District Rule 2201]
2. 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
3. Collected TVR vapors shall be disposed of in a Department of Oil, Gas and Geothermal Resources (DOGGR) approved vapor disposal well, injected into the field fuel gas system and used in permit exempt equipment, or combusted in steam generators S-1326-9, '-294, '-314, '-337, '-338, '385, '-390, '-391, '-392, '-400, '-401, and '-419 through '-425. [District Rules 2020 and 2201] Federally Enforceable Through Title V Permit
4. VOC content of tank vapor space and vapor control system piping and components shall not exceed 10% by weight. [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

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Arnaud Marjollet, Director of Permit Services
S-1326-263-22 : May 22 2014 10:16AM – DAVIDSOS : Joint Inspection NOT Required

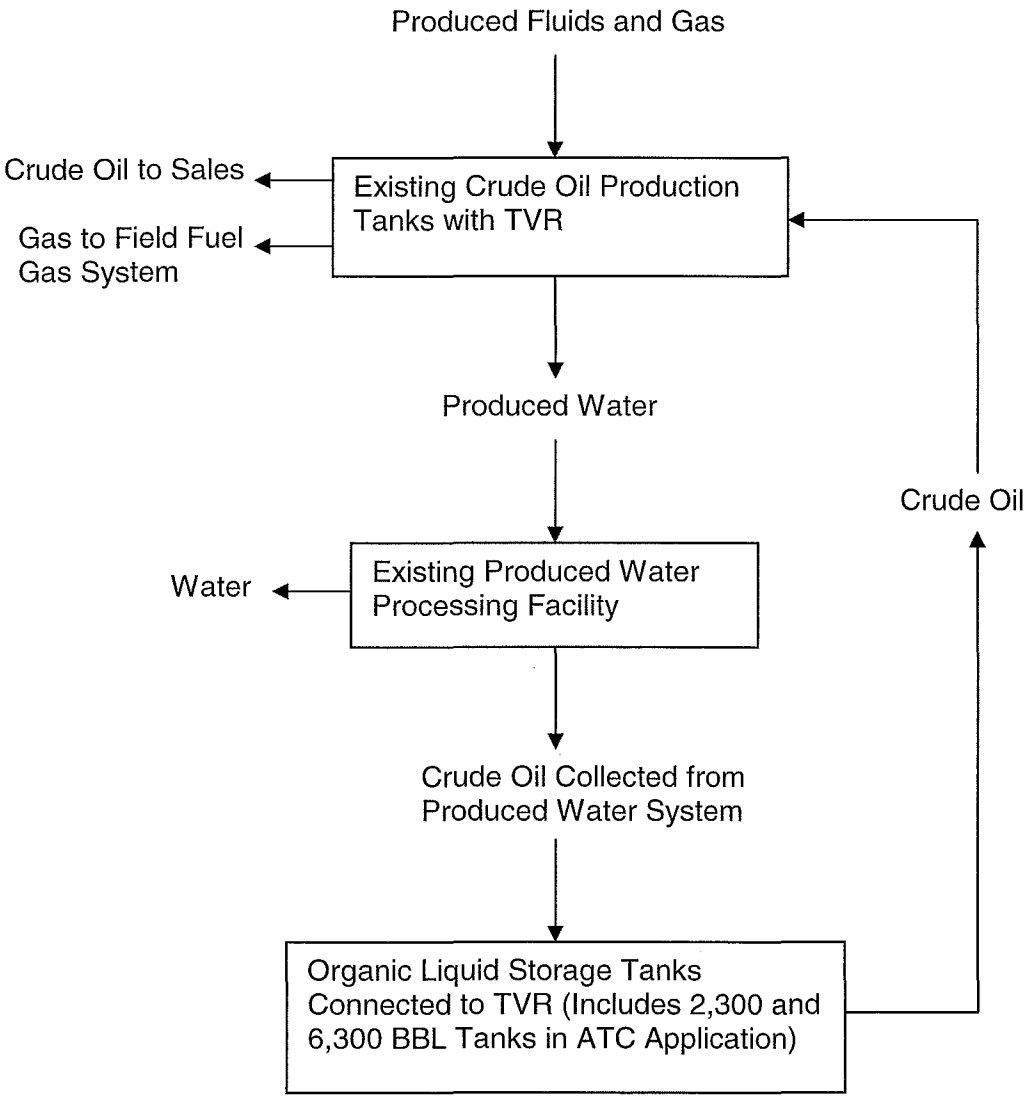
5. Prior to injecting collected TVR (and S-1326-287 CVR) vapors into field fuel gas system, the collected vapors shall be treated by a hydrogen sulfide removal system which reduces the hydrogen sulfide concentration in the collected vapors by at least 95%. The sulfur content of the treated vapors may not exceed 1.0 grains S/ 100 scf gas. The treated TVR (and CVR) vapors injected into the field fuel gas line shall not be greater than five percent by weight hydrocarbons heavier than butane as determined by test method ASTM D-1945 or equivalent test method with prior District approval. [District Rules 2020 and 2201] Federally Enforceable Through Title V Permit
6. Operator shall ensure the vapor control system is functional and operating as designed at all times, except during periods of routine maintenance. [District Rule 2520, 9.3.2] Federally Enforceable Through Title V Permit
7. The tank shall be equipped with a vapor loss prevention system capable of collecting all VOC emissions and preventing their emissions to the atmosphere at an efficiency of at least 99% by weight. [District Rule 2520, 9.3.2] Federally Enforceable Through Title V Permit
8. The true vapor pressure of the liquids stored in this tank shall not exceed 0.5 psia. [District Rules 4623, 4.4 and 2201] Federally Enforceable Through Title V Permit
9. Connections between this TVR system and the wellhead casing vent recovery (CVR) system listed on S-1326-287 shall be made upstream of the hydrogen sulfide removal system included in this permit. [District Rule 2201] Federally Enforceable Through Title V Permit
10. Permittee shall conduct tank cleaning and maintenance operations in accordance with District approved procedures as described in this permit. [District Rule 2080] Federally Enforceable Through Title V Permit
11. This permit authorizes tank cleaning that is not the result of breakdowns or poor maintenance as a routine maintenance activity. [District Rule 2080] Federally Enforceable Through Title V Permit
12. Prior to opening the tank to allow tank cleaning, one of the following procedures must be followed: 1) Prior to venting the tank to the atmosphere, operate the tank vapor recovery system/vapor control device for at least 24 hours such that it collects the tank vapors; or 2) use liquid displacement, conducted using a liquid with a TVP less than 0.5 psia, or conducted by floating the oil pad off a crude oil tank by restricting the outflow of water, such that 90% of the tank volume is displaced; or 3) Vent the tank to a vapor control device/vapor recovery system until the vapor concentration is less than 10% of the lower explosive limit (LEL) or 5,000 ppmv whichever is less; or 4) vent the tank to the vapor control system for a length of time determined by the following relationship: $t = 2.3\ V/Q$, where t = time, V = tank volume (cubic feet), and Q= flow rate to the vapor control system as determined using appropriate engineering calculations. [District Rule 2080] Federally Enforceable Through Title V Permit
13. The tank shall be cleaned using one of the following methods: water, hot water, solvents with an initial boiling point of greater than 302 F, solvents with a vapor pressure of less than 0.5 psia, or solvents with 50 grams VOC per liter or less. The tank sediment may be used for road mix as allowed by Section 6.17 of District Rule 2020. [District Rule 2080] Federally Enforceable Through Title V Permit
14. Steam cleaning shall be allowed only during December through March, or at locations where wastewater treatment facilities are limited. [District Rule 2080] Federally Enforceable Through Title V Permit
15. Prior to reintroducing crude oil/water to the tank, the tank shall be filled to the maximum possible level with water, the tank vapor control system shall be reactivated and pressure/relief valves closed, and the liquid level shall be adjusted as necessary. [District Rule 2080] Federally Enforceable Through Title V Permit
16. Within 48 hours after refilling the tank with crude oil/water, the pressure relief valve seats and hatch seals shall be inspected for leaks using EPA method 21 and the regular tank maintenance and inspection program shall resume. [District Rule 2080] Federally Enforceable Through Title V Permit
17. Permittee shall maintain records of each period of cleaning and maintenance when the tank is disconnected or isolated from the vapor control system. Records shall include the date that tank cleaning was initiated, the date tank cleaning was completed, the procedure used to vent tank vapors prior to opening, the method of tank cleaning used, and a description of internal and external tank repairs and maintenance performed. Such records shall be retained for a period of at least 5 years and shall be made available for District inspection upon request. [District Rule 2080] Federally Enforceable Through Title V Permit

CONDITIONS CONTINUE ON NEXT PAGE

18. Operator shall conduct quarterly gas sampling after TVR compressor (prior to connection to any other vapor control system) and at either the first line tank or at any secondary tank which is heated above ambient temperature. If gas samples are less than 10% VOC by weight for 8 consecutive quarterly samplings, sampling frequency shall only be required annually and whenever there is a change in source or type of petroleum processed. Samples shall be collected during periods of normal operation, and not be within 48 hours after routine maintenance or repair. [District Rule 2201] Federally Enforceable Through Title V Permit
19. VOC content of gas shall be measured using ASTM D-1945, EPA Method 18 referenced as methane, or equivalent test method with prior District approval. [District Rule 2201] Federally Enforceable Through Title V Permit
20. Permittee shall conduct true vapor pressure (TVP) testing of the organic liquid stored in this tank at least once every 24 months during summer (July - September), and/or whenever there is a change in the source or type of organic liquid stored in this tank in order to maintain exemption from the rule. [District Rule 4623, 6.2.2] Federally Enforceable Through Title V Permit
21. The TVP testing shall be conducted at actual storage temperature of the organic liquid in the tank. The permittee shall also conduct an API gravity testing. [District Rule 4623, 6.2.2] Federally Enforceable Through Title V Permit
22. For crude oil with an API gravity of 26 degrees or less, the TVP shall be determined using the latest version of the Lawrence Berkeley National Laboratory "test Method for Vapor pressure of Reactive Organic Compounds in Heavy Crude Oil Using Gas Chromatograph", as approved by ARB and EPA. [District Rule 4623, 6.4] Federally Enforceable Through Title V Permit
23. The API gravity of crude oil or petroleum distillate shall be determined by using ASTM Method D 287 e1 "Standard Test Method for API Gravity of Crude Petroleum and Petroleum Products (Hydrometer Method). Sampling for API gravity shall be performed in accordance with ASTM Method D 4057 "Standard Practices for Manual Sampling of Petroleum and Petroleum Products." [District Rule 4623, 6.4] Federally Enforceable Through Title V Permit
24. Permittee shall submit the records of TVP and API gravity testing to the APCO within 45 days after the date of testing. The records shall include the tank identification number, Permit to Operate number, type of stored organic liquid, TVP and API gravity of the organic liquid, test methods used, and a copy of the test results. [District Rule 4623, 6.3.6] Federally Enforceable Through Title V Permit
25. The permittee shall keep accurate records of each organic liquid stored in the tank, including its storage temperature, TVP, and API gravity. [District Rule 4623, 6.3.6] Federally Enforceable Through Title V Permit
26. The permittee shall keep accurate records of VOC content of vapors, liquids stored and true vapor pressure of such liquids for a period of 5 years and shall make such records available for District inspection upon request. [District Rule 2520, 9.4.2] Federally Enforceable Through Title V Permit
27. All records required to be maintained by this permit shall be maintained for a period of at least five years and shall be made readily available for District inspection upon request. [District Rule 4623] Federally Enforceable Through Title V Permit

ATTACHMENT B
Process Flow Diagram

Vintage Production CA, LLC	
N W E S	FACILITY NAME: Section 23 SCALE: NONE



ATTACHMENT C
Emissions Calculations

Vintage Production CA

S-1142087, S-1326-444-0, '-445-0, and '-446-0

EPA Protocol for Equipment Leak Emission Estimate

Table 2-4. Oil and Gas Production Operations
Average Emission Factors

Weight percentage of VOC in the total organic compounds in gas (neglect non-organics)? 10 %
Weight percentage of VOC in the total organic compounds in oil (neglect non-organics)? 100 %

Equipment Type	Service	Screening Value EF - TOC (kg/hr/source)	(lb/day/source)	Component Count	VOC emissions (lb/day)
Valves	Gas	4.5E-03	2.381E-01	5	0.12
	Heavy Oil	8.4E-06	4.445E-04	0	0.00
	Light Oil	2.5E-03	1.323E-01	0	0.00
	Water/Oil	9.8E-05	5.185E-03	0	0.00
Pump Seals	Gas	2.4E-03	1.270E-01	0	0.00
	Heavy Oil	N/A	N/A	0	N/A
	Light Oil	1.3E-02	6.878E-01	0	0.00
	Water/Oil	2.4E-05	1.270E-03	0	0.00
Others	Gas	8.8E-03	4.656E-01	5	0.23
	Heavy Oil	3.2E-05	1.693E-03	0	0.00
	Light Oil	7.5E-03	3.968E-01	0	0.00
	Water/Oil	1.4E-02	7.408E-01	0	0.00
Connectors	Gas	2.0E-04	1.058E-02	0	0.00
	Heavy Oil	7.5E-06	3.968E-04	0	0.00
	Light Oil	2.1E-04	1.111E-02	0	0.00
	Water/Oil	1.1E-04	5.820E-03	0	0.00
Flanges	Gas	3.9E-04	2.064E-02	15	0.03
	Heavy Oil	3.9E-07	2.064E-05	0	0.00
	Light Oil	1.1E-04	5.820E-03	0	0.00
	Water/Oil	2.9E-06	1.534E-04	0	0.00
Open-ended Lines	Gas	2.0E-03	1.058E-01	0	0.00
	Heavy Oil	1.4E-04	7.408E-03	0	0.00
	Light Oil	1.4E-03	7.408E-02	0	0.00
	Water/Oil	2.5E-04	1.323E-02	0	0.00

Total VOC Emissions = 0.4 lb/day

ATTACHMENT D
QNEC Calculations

The Quarterly Net Emissions Change is used to complete the emission profile screen for the District's PAS database. The QNEC shall be calculated as follows:

QNEC = PE2 - BE, where:

QNEC = Quarterly Net Emissions Change for each emissions unit, lb/qtr.
PE2 = Post Project Potential to Emit for each emissions unit, lb/qtr.
BE = Baseline Emissions (per Rule 2201) for each emissions unit, lb/qtr.

Using the values in Sections VII.C.2 and VII.C.6 in the evaluation above, quarterly PE2 and quarterly BE can be calculated for all tanks in this project as follows:

$PE2_{quarterly}$ = $PE2_{annual}$ ÷ 4 quarters/year
= 0 lb/year ÷ 4 qtr/year
= 0 lb VOC/qtr

$BE_{quarterly}$ = BE_{annual} ÷ 4 quarters/year
= 0 lb/year ÷ 4 qtr/year
= 0 lb VOC/qtr

ATTACHMENT E
Health Risk Assessment

San Joaquin Valley Air Pollution Control District
Risk Management Review

To:	Steve Davidson – Permit Services
From:	Ester Davila – Technical Services
Date:	May 21, 2014
Facility Name:	Vintage Production CA
Location:	Sect 23, Township 28S, Range 27E
Application #(s):	S-1326-444-0 thru 446-0
Project #:	S-1142087

A. RMR SUMMARY

RMR Summary			
Categories	**Three Storage Tanks (Units 444-0 thru 446-0)**	**Project Totals**	**Facility Totals**
Prioritization Score	0.00	0.00	>1
Acute Hazard Index	8.10E-4	8.10E-4	0.13
Chronic Hazard Index	2.2E-5	2.2E-5	0.04
Maximum Individual Cancer Risk	**2.0E-09**	2.0E-09	5.5E-06
T-BACT Required?	**No**		
Special Permit Conditions?	**No**		

I. Project Description

Technical Services received a request on May 13, 2014, to perform a Risk Management Review for the installation of three storage tanks.

II. Analysis

Toxic emissions oilfield fugitives were calculated using emission factors based on the District developed emissions factors for Oilfield Fugitives spreadsheet. In accordance with the District's *Risk Management Policy for Permitting New and Modified Sources* (APR 1905-1, March 2, 2001), risks from the project were prioritized using the procedures in the 1990 CAPCOA Facility Prioritization Guidelines and incorporated in the District's HEART's database. The prioritization score for the project was less than 1.0 (see RMR Summary Table); however, the facility's combined prioritization scores totaled to greater than one.

Therefore, a refined Health Risk Assessment was required and performed for the project. AERMOD was used with area source parameters outlined below and concatenated 5-year meteorological data from Bakersfield to determine maximum dispersion factors at the nearest residential and business receptors. The dispersion factors were input into the HARP model to calculate the Chronic and Acute Hazard Indices and the Carcinogenic Risk.

The following parameters were used for the review:

Analysis Parameters			
Source Type	Area	**Closest Receptor (m)**	1128
Release Height (m)	7.32 (all tanks)	**Type of Receptor**	Business
Tank Radi (m)	5.2, 7.2, 7.2	**Location Type**	Rural
VOC Emissions (lbs)	0.02 hr (all tanks) 146 yr (all tanks)		

III. Conclusions

The acute and chronic indices are below 1.0; and the maximum individual cancer risk associated with the project is **2.0E-09**; which is less than the 1 in a million threshold (each individual unit is less than 1.0^{E-6}). In accordance with the District's Risk Management Policy, the project is approved **without** Toxic Best Available Control Technology (T-BACT).

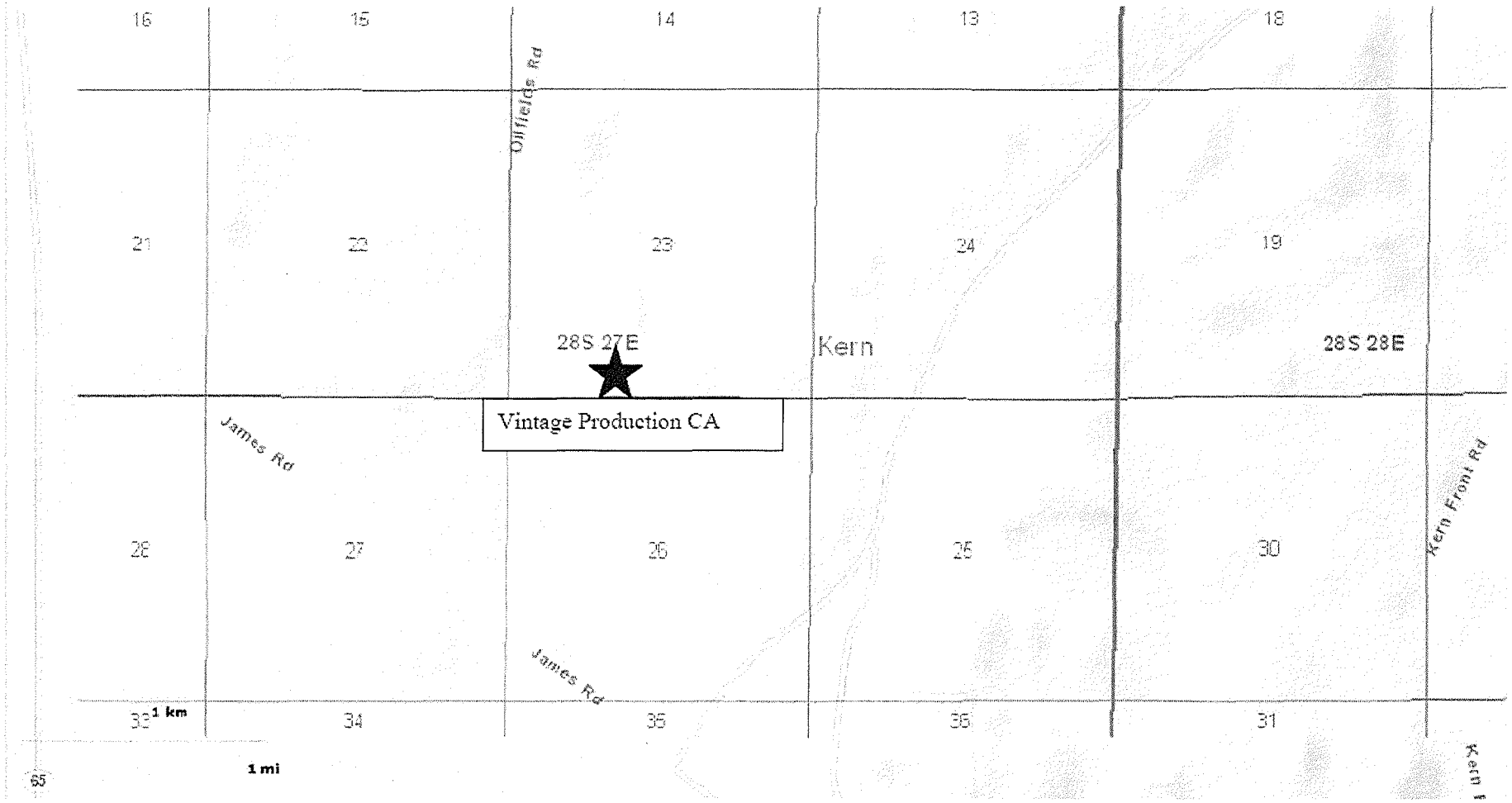
These conclusions are based on the data provided by the applicant and the project engineer. Therefore, this analysis is valid only as long as the proposed data and parameters do not change.

ATTACHMENTS

RMR Request Form
Prioritization
HARP Risk Results
Facility Summary

ATTACHMENT F
Location Map

DOGGR Online Mapping System (DOMS)



ATTACHMENT G
Emissions Profiles

Application Emissions

Permit #: S-1326-263-24	**Last Updated**
Facility: VINTAGE PRODUCTION CALIFORNIA	05/16/2014 DAVIDSOS

Equipment Pre-Baselined: NO

	NOX	SOX	PM10	CO	VOC
Potential to Emit (lb/Yr):	0.0	0.0	0.0	0.0	0.0
Daily Emis. Limit (lb/Day)	0.0	0.0	0.0	0.0	0.0
Quarterly Net Emissions Change (lb/Qtr)					
Q1:	0.0	0.0	0.0	0.0	0.0
Q2:	0.0	0.0	0.0	0.0	0.0
Q3:	0.0	0.0	0.0	0.0	0.0
Q4:	0.0	0.0	0.0	0.0	0.0
Check if offsets are triggered but exemption applies	N	N	N	N	N
Offset Ratio					
Quarterly Offset Amounts (lb/Qtr)					
Q1:					
Q2:					
Q3:					
Q4:					

Application Emissions

Permit #: S-1326-444-0	**Last Updated**
Facility: VINTAGE PRODUCTION CALIFORNIA	05/16/2014 DAVIDSOS

Equipment Pre-Baselined: NO

	NOX	SOX	PM10	CO	VOC
Potential to Emit (lb/Yr):	0.0	0.0	0.0	0.0	0.0
Daily Emis. Limit (lb/Day)	0.0	0.0	0.0	0.0	0.0
Quarterly Net Emissions Change (lb/Qtr)					
Q1:	0.0	0.0	0.0	0.0	0.0
Q2:	0.0	0.0	0.0	0.0	0.0
Q3:	0.0	0.0	0.0	0.0	0.0
Q4:	0.0	0.0	0.0	0.0	0.0
Check if offsets are triggered but exemption applies	N	N	N	N	N
Offset Ratio					
Quarterly Offset Amounts (lb/Qtr)					
Q1:					
Q2:					
Q3:					
Q4:					

Application Emissions

Permit #: S-1326-445-0	**Last Updated**
Facility: VINTAGE PRODUCTION CALIFORNIA	05/16/2014 DAVIDSOS

Equipment Pre-Baselined: NO

	NOX	SOX	PM10	CO	VOC
Potential to Emit (lb/Yr):	0.0	0.0	0.0	0.0	0.0
Daily Emis. Limit (lb/Day)	0.0	0.0	0.0	0.0	0.0
Quarterly Net Emissions Change (lb/Qtr)					
Q1:	0.0	0.0	0.0	0.0	0.0
Q2:	0.0	0.0	0.0	0.0	0.0
Q3:	0.0	0.0	0.0	0.0	0.0
Q4:	0.0	0.0	0.0	0.0	0.0
Check if offsets are triggered but exemption applies	N	N	N	N	N
Offset Ratio					
Quarterly Offset Amounts (lb/Qtr)					
Q1:					
Q2:					
Q3:					
Q4:					

Application Emissions

Permit #: S-1326-446-0	**Last Updated**
Facility: VINTAGE PRODUCTION CALIFORNIA	05/16/2014 DAVIDSOS

Equipment Pre-Baselined: NO

	NOX	SOX	PM10	CO	VOC
Potential to Emit (lb/Yr):	0.0	0.0	0.0	0.0	0.0
Daily Emis. Limit (lb/Day)	0.0	0.0	0.0	0.0	0.0
Quarterly Net Emissions Change (lb/Qtr)					
Q1:	0.0	0.0	0.0	0.0	0.0
Q2:	0.0	0.0	0.0	0.0	0.0
Q3:	0.0	0.0	0.0	0.0	0.0
Q4:	0.0	0.0	0.0	0.0	0.0
Check if offsets are triggered but exemption applies	N	N	N	N	N
Offset Ratio					
Quarterly Offset Amounts (lb/Qtr)					
Q1:					
Q2:					
Q3:					
Q4:					

ATTACHMENT H
Title V – Compliance Certification Form

RECEIVED
MAY 06 2014
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)

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

COMPANY NAME: VINTAGE PRODUCTION CALIFORNIA, LLC	FACILITY ID: S – 1326
1. Type of Organization:[X] Corporation [ ] Sole Ownership [ ] Government [ ] Partnership [ ] Utility	
2. Owner's Name:	
3. Agent to the Owner:	

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

(DS) 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).

(DS) 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.

(DS) Corrected information will be provided to the District when I become aware that incorrect or incomplete information has been submitted.

(DS) 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:

Dewayne Smith — 5-5-14

Signature of Responsible Official — Date

Dewayne Smith

Name of Responsible Official (please print)

Surface Operations Manager

Title of Responsible Official (please print)

Mailing Address: Central Regional Office * 1990 E. Gettysburg Avenue * Fresno, California 93726-0244 * (559) 230-5900 * FAX (559) 230-6061

ATTACHMENT I
Draft ATCs

San Joaquin Valley
Air Pollution Control District

AUTHORITY TO CONSTRUCT

PERMIT NO: S-1326-263-24 **ISSUANCE DATE:** DRAFT

LEGAL OWNER OR OPERATOR: VINTAGE PRODUCTION CALIFORNIA LLC
MAILING ADDRESS: 9600 MING AVE, SUITE 300
BAKERSFIELD, CA 93311

LOCATION: HEAVY OIL CENTRAL STATIONARY SOURCE
KERN COUNTY, CA

SECTION: SW23 **TOWNSHIP:** 28S **RANGE:** 27E

EQUIPMENT DESCRIPTION:
MODIFICATION OF 3,000 BBL FIXED ROOF WASH TANK SERVED BY TANK VAPOR CONTROL SYSTEM SHARED WITH CASING VENT RECOVERY (CVR) SYSTEM LISTED ON S-1326-287 AND CRUDE OIL STORAGE TANKS S-1326-263, -279, -280, -281, -283, -285, AND '-315 (SECTION 23 FACILITY): CONNECT TANKS S-1326-444, '-445, AND '-446 TO THE VAPOR CONTROL SYSTEM

CONDITIONS

1. {1830} 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. {1831} 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. Authorities to Construct (ATC) S-1326-263-22, '-444-0, '-445-0, and '-446-0 shall be implemented prior to or concurrently with this ATC. [District Rule 2201]
4. {1829} 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
5. Collected TVR vapors shall be disposed of in a Department of Oil, Gas and Geothermal Resources (DOGGR) approved vapor disposal well, injected into the field fuel gas system and used in permit exempt equipment, or combusted in steam generators S-1326-9, '-294, '-314, '-337, '-338, '385, '-390, '-391, '-392, '-400, '-401, and '-419 through '-425. [District Rules 2020 and 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

Arnaud Marjollet, Director of Permit Services
S-1326-263-24 : May 22 2014 9:34AM -- DAVIDSOS : Joint Inspection NOT Required

6. VOC content of tank vapor space and vapor control system piping and components shall not exceed 10% by weight. [District Rule 2201] Federally Enforceable Through Title V Permit

7. Prior to injecting collected TVR (and S-1326-287 CVR) vapors into field fuel gas system, the collected vapors shall be treated by a hydrogen sulfide removal system which reduces the hydrogen sulfide concentration in the collected vapors by at least 95%. The sulfur content of the treated vapors may not exceed 1.0 grains S/ 100 scf gas. The treated TVR (and CVR) vapors injected into the field fuel gas line shall not be greater than five percent by weight hydrocarbons heavier than butane as determined by test method ASTM D-1945 or equivalent test method with prior District approval. [District Rules 2020 and 2201] Federally Enforceable Through Title V Permit

8. Operator shall ensure the vapor control system is functional and operating as designed at all times, except during periods of routine maintenance. [District Rule 2520, 9.3.2] Federally Enforceable Through Title V Permit

9. The tank shall be equipped with a vapor loss prevention system capable of collecting all VOC emissions and preventing their emissions to the atmosphere at an efficiency of at least 99% by weight. [District Rule 2520, 9.3.2] Federally Enforceable Through Title V Permit

10. The true vapor pressure of the liquids stored in this tank shall not exceed 0.5 psia. [District Rules 4623, 4.4 and 2201] Federally Enforceable Through Title V Permit

11. Connections between this TVR system and the wellhead casing vent recovery (CVR) system listed on S-1326-287 shall be made upstream of the hydrogen sulfide removal system included in this permit. [District Rule 2201] Federally Enforceable Through Title V Permit

12. Permittee shall conduct tank cleaning and maintenance operations in accordance with District approved procedures as described in this permit. [District Rule 2080] Federally Enforceable Through Title V Permit

13. This permit authorizes tank cleaning that is not the result of breakdowns or poor maintenance as a routine maintenance activity. [District Rule 2080] Federally Enforceable Through Title V Permit

14. Prior to opening the tank to allow tank cleaning, one of the following procedures must be followed: 1) Prior to venting the tank to the atmosphere, operate the tank vapor recovery system/vapor control device for at least 24 hours such that it collects the tank vapors; or 2) use liquid displacement, conducted using a liquid with a TVP less than 0.5 psia, or conducted by floating the oil pad off a crude oil tank by restricting the outflow of water, such that 90% of the tank volume is displaced; or 3) Vent the tank to a vapor control device/vapor recovery system until the vapor concentration is less than 10% of the lower explosive limit (LEL) or 5,000 ppmv whichever is less; or 4) vent the tank to the vapor control system for a length of time determined by the following relationship: $t = 2.3\ V/Q$, where t = time, V = tank volume (cubic feet), and Q= flow rate to the vapor control system as determined using appropriate engineering calculations. [District Rule 2080] Federally Enforceable Through Title V Permit

15. The tank shall be cleaned using one of the following methods: water, hot water, solvents with an initial boiling point of greater than 302 F, solvents with a vapor pressure of less than 0.5 psia, or solvents with 50 grams VOC per liter or less. The tank sediment may be used for road mix as allowed by Section 6.17 of District Rule 2020. [District Rule 2080] Federally Enforceable Through Title V Permit

16. Steam cleaning shall be allowed only during December through March, or at locations where wastewater treatment facilities are limited. [District Rule 2080] Federally Enforceable Through Title V Permit

17. Prior to reintroducing crude oil/water to the tank, the tank shall be filled to the maximum possible level with water, the tank vapor control system shall be reactivated and pressure/relief valves closed, and the liquid level shall be adjusted as necessary. [District Rule 2080] Federally Enforceable Through Title V Permit

18. Within 48 hours after refilling the tank with crude oil/water, the pressure relief valve seats and hatch seals shall be inspected for leaks using EPA method 21 and the regular tank maintenance and inspection program shall resume. [District Rule 2080] Federally Enforceable Through Title V Permit

19. Permittee shall maintain records of each period of cleaning and maintenance when the tank is disconnected or isolated from the vapor control system. Records shall include the date that tank cleaning was initiated, the date tank cleaning was completed, the procedure used to vent tank vapors prior to opening, the method of tank cleaning used, and a description of internal and external tank repairs and maintenance performed. Such records shall be retained for a period of at least 5 years and shall be made available for District inspection upon request. [District Rule 2080] Federally Enforceable Through Title V Permit

CONDITIONS CONTINUE ON NEXT PAGE

20. Operator shall conduct quarterly gas sampling after TVR compressor (prior to connection to any other vapor control system) and at either the first line tank or at any secondary tank which is heated above ambient temperature. If gas samples are less than 10% VOC by weight for 8 consecutive quarterly samplings, sampling frequency shall only be required annually and whenever there is a change in source or type of petroleum processed. Samples shall be collected during periods of normal operation, and not be within 48 hours after routine maintenance or repair. [District Rule 2201] Federally Enforceable Through Title V Permit
21. VOC content of gas shall be measured using ASTM D-1945, EPA Method 18 referenced as methane, or equivalent test method with prior District approval. [District Rule 2201] Federally Enforceable Through Title V Permit
22. Permittee shall conduct true vapor pressure (TVP) testing of the organic liquid stored in this tank at least once every 24 months during summer (July - September), and/or whenever there is a change in the source or type of organic liquid stored in this tank in order to maintain exemption from the rule. [District Rule 4623, 6.2.2] Federally Enforceable Through Title V Permit
23. The TVP testing shall be conducted at actual storage temperature of the organic liquid in the tank. The permittee shall also conduct an API gravity testing. [District Rule 4623, 6.2.2] Federally Enforceable Through Title V Permit
24. For crude oil with an API gravity of 26 degrees or less, the TVP shall be determined using the latest version of the Lawrence Berkeley National Laboratory "test Method for Vapor pressure of Reactive Organic Compounds in Heavy Crude Oil Using Gas Chromatograph", as approved by ARB and EPA. [District Rule 4623, 6.4] Federally Enforceable Through Title V Permit
25. The API gravity of crude oil or petroleum distillate shall be determined by using ASTM Method D 287 e1 "Standard Test Method for API Gravity of Crude Petroleum and Petroleum Products (Hydrometer Method). Sampling for API gravity shall be performed in accordance with ASTM Method D 4057 "Standard Practices for Manual Sampling of Petroleum and Petroleum Products." [District Rule 4623, 6.4] Federally Enforceable Through Title V Permit
26. Permittee shall submit the records of TVP and API gravity testing to the APCO within 45 days after the date of testing. The records shall include the tank identification number, Permit to Operate number, type of stored organic liquid, TVP and API gravity of the organic liquid, test methods used, and a copy of the test results. [District Rule 4623, 6.3.6] Federally Enforceable Through Title V Permit
27. The permittee shall keep accurate records of each organic liquid stored in the tank, including its storage temperature, TVP, and API gravity. [District Rule 4623, 6.3.6] Federally Enforceable Through Title V Permit
28. The permittee shall keep accurate records of VOC content of vapors, liquids stored and true vapor pressure of such liquids for a period of 5 years and shall make such records available for District inspection upon request. [District Rule 2520, 9.4.2] Federally Enforceable Through Title V Permit
29. All records required to be maintained by this permit shall be maintained for a period of at least five years and shall be made readily available for District inspection upon request. [District Rule 4623] Federally Enforceable Through Title V Permit

San Joaquin Valley
Air Pollution Control District

AUTHORITY TO CONSTRUCT

DRAFT

PERMIT NO: S-1326-444-0 **ISSUANCE DATE:** DRAFT

LEGAL OWNER OR OPERATOR: VINTAGE PRODUCTION CALIFORNIA LLC
MAILING ADDRESS: 9600 MING AVE, SUITE 300
BAKERSFIELD, CA 93311

LOCATION: HEAVY OIL CENTRAL STATIONARY SOURCE
KERN COUNTY, CA

SECTION: SW 23 **TOWNSHIP:** 28S **RANGE:** 27E

EQUIPMENT DESCRIPTION:
2500 BBL FIXED ROOF CRUDE OIL TANK VENTED TO VAPOR CONTROL SYSTEM LISTED ON TANK S-1326-263

CONDITIONS

1. {1830} 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. {1831} 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. ATC S-1326-263-24 shall be implemented concurrent with this ATC. [District Rule 2201] Federally Enforceable Through Title V Permit
4. The tank shall be equipped with a vapor control system consisting of a closed vent system that collects all VOCs from the storage tank, and a VOC control device. The vapor control system shall be APCO-approved and maintained in leak-free condition. Vapors shall be discharged to 95% efficient control device. [District Rule 4623] Federally Enforceable Through Title V Permit
5. All piping, valves, and fittings shall be constructed and maintained in a gas-tight condition. [District Rule 4623] Federally Enforceable Through Title V Permit

CONDITIONS CONTINUE ON NEXT PAGE

YOU MUST NOTIFY THE DISTRICT COMPLIANCE DIVISION AT (661) 392-5500 WHEN CONSTRUCTION IS COMPLETED AND PRIOR TO OPERATING THE EQUIPMENT OR MODIFICATIONS AUTHORIZED BY THIS AUTHORITY TO CONSTRUCT. This is NOT a PERMIT TO OPERATE. Approval or denial of a PERMIT TO OPERATE will be made after an inspection to verify that the equipment has been constructed in accordance with the approved plans, specifications and conditions of this Authority to Construct, and to determine if the equipment can be operated in compliance with all Rules and Regulations of the San Joaquin Valley Unified Air Pollution Control District. Unless construction has commenced pursuant to Rule 2050, this Authority to Construct shall expire and application shall be cancelled two years from the date of issuance. The applicant is responsible for complying with all laws, ordinances and regulations of all other governmental agencies which may pertain to the above equipment.

Seyed Sadredin, Executive Director / APCO

DRAFT

Arnaud Marjollet, Director of Permit Services
S-1326-444-0 : May 23 2014 1:55PM -- DAVIDSOS : Joint Inspection NOT Required

6. A gas-tight condition is defined as a condition without a gas 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 and shall be reported as a deviation. [District Rule 4623] Federally Enforceable Through Title V Permit
7. Any tank gauging or sampling device on a tank vented to the vapor recovery system shall be equipped with a gas-tight cover which shall be closed at all times except during gauging or sampling. [District Rule 4623] Federally Enforceable Through Title V Permit
8. The VOC content of the vapors shall not exceed 10% by weight. [District Rule 2201] Federally Enforceable Through Title V Permit
9. Operator shall conduct quarterly gas sampling for gas exiting the separator pressure vessel to qualify for exemption from fugitive component counts for components handling fluids with VOC content equal to or less than 10% by weight. If gas samples are equal to or less than 10% VOC by weight for 8 consecutive quarterly samplings, sampling frequency shall only be required annually. [District Rule 2201] Federally Enforceable Through Title V Permit
10. Except as otherwise provided in this permit, the operator shall ensure that the vapor recovery system is functional and is operating as designed at all times. [District Rule 2201] Federally Enforceable Through Title V Permit
11. All piping, fittings, and valves on this tank shall be inspected annually by the facility operator in accordance with EPA Method 21, with the instrument calibrated with methane, to ensure compliance with the leaking provisions of this permit. [District Rules 2201 and 4623] Federally Enforceable Through Title V Permit
12. Any component found to be leaking on two consecutive annual inspections is in violation of the District Rule 4623, even if it is under the voluntary inspection and maintenance program. [District Rules 2201 and 4623] Federally Enforceable Through Title V Permit
13. Permittee shall notify the APCO in writing at least three (3) days prior to performing tank degassing and interior tank cleaning activities. Written notification shall include the following: 1) the Permit to Operate number and physical location of the tank being degassed, 2) the date and time that tank degassing and cleaning activities will begin, 3) the degassing method, as allowed in this permit, to be used, 4) the method to be used to clean the tank, including any solvents to be used, and 5) the method to be used to dispose of any removed sludge, including methods that will be used to control emissions from the receiving vessel and emissions during transport. [District Rule 4623] Federally Enforceable Through Title V Permit
14. This tank shall be degassed before commencing interior cleaning by following one of the following options: 1) exhausting VOCs contained in the tank vapor space to an APCO-approved vapor recovery system until the organic vapor concentration is 5,000 ppmv or less, or is 10 percent or less of the lower explosion limit (LEL), whichever is less, or 2) by displacing VOCs contained in the tank vapor space to an APCO-approved vapor recovery system by filling the tank with a suitable liquid until 90 percent or more of the maximum operating level of the tank is filled. Suitable liquids are organic liquids having a TVP of less than 0.5 psia, water, clean produced water, or produced water derived from crude oil having a TVP less than 0.5 psia, or 3) by displacing VOCs contained in the tank vapor space to an APCO-approved vapor recovery system by filling the tank with a suitable gas. Degassing shall continue until the operator has achieved a vapor displacement equivalent to at least 2.3 times the tank capacity. Suitable gases are air, nitrogen, carbon dioxide, or natural gas containing less than 10 percent VOC by weight. [District Rule 4623] Federally Enforceable Through Title V Permit
15. During tank degassing, the operator shall discharge or displace organic vapors contained in the tank vapor space to an APCO-approved vapor recovery system. [District Rule 4623] Federally Enforceable Through Title V Permit
16. To facilitate connection to an external APCO-approved recovery system, a suitable tank fitting, such as a manway, may be temporarily removed for a period of time not to exceed 1 hour . [District Rule 4623] Federally Enforceable Through Title V Permit
17. This tank shall be in compliance with the applicable requirements of District Rule 4623 at all times during draining, degassing, and refilling the tank with an organic liquid having a TVP of 0.5 psia or greater. [District Rule 4623] Federally Enforceable Through Title V Permit

CONDITIONS CONTINUE ON NEXT PAGE

18. While performing tank cleaning activities, operators may only use the following cleaning agents: diesel, solvents with an initial boiling point of greater than 302 degrees F, solvents with a vapor pressure of less than 0.5 psia, or solvents with 50 grams of VOC per liter or less. [District Rule 4623] Federally Enforceable Through Title V Permit

19. Steam cleaning shall only be allowed at locations where wastewater treatment facilities are limited, or during the months of December through March. [District Rule 4623] Federally Enforceable Through Title V Permit

20. Operator shall maintain an inspection log containing the following 1) Type of component leaking; 2) Date and time of leak detection, and method of detection; 3) Date and time of leak repair, 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 Rules 2201 and 4623] Federally Enforceable Through Title V Permit

21. Operator shall maintain all records of required monitoring data and support information for inspection at any time for a period of five years. [District Rule 1070]

San Joaquin Valley
Air Pollution Control District

AUTHORITY TO CONSTRUCT

PERMIT NO: S-1326-445-0 **ISSUANCE DATE:** DRAFT

LEGAL OWNER OR OPERATOR: VINTAGE PRODUCTION CALIFORNIA LLC
MAILING ADDRESS: 9600 MING AVE, SUITE 300
BAKERSFIELD, CA 93311

LOCATION: HEAVY OIL CENTRAL STATIONARY SOURCE
KERN COUNTY, CA

SECTION: SW 23 **TOWNSHIP:** 28S **RANGE:** 27E

EQUIPMENT DESCRIPTION:
6300 BBL FIXED ROOF CRUDE OIL TANK VENTED TO VAPOR CONTROL SYSTEM LISTED ON TANK S-1326-263

CONDITIONS

1. {1830} 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. {1831} 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. ATC S-1326-263-24 shall be implemented concurrent with this ATC. [District Rule 2201] Federally Enforceable Through Title V Permit
4. The tank shall be equipped with a vapor control system consisting of a closed vent system that collects all VOCs from the storage tank, and a VOC control device. The vapor control system shall be APCO-approved and maintained in leak-free condition. Vapors shall be discharged to 95% efficient control device. [District Rule 4623] Federally Enforceable Through Title V Permit
5. All piping, valves, and fittings shall be constructed and maintained in a gas-tight condition. [District Rule 4623] Federally Enforceable Through Title V Permit

CONDITIONS CONTINUE ON NEXT PAGE

YOU MUST NOTIFY THE DISTRICT COMPLIANCE DIVISION AT (661) 392-5500 WHEN CONSTRUCTION IS COMPLETED AND PRIOR TO OPERATING THE EQUIPMENT OR MODIFICATIONS AUTHORIZED BY THIS AUTHORITY TO CONSTRUCT. This is NOT a PERMIT TO OPERATE. Approval or denial of a PERMIT TO OPERATE will be made after an inspection to verify that the equipment has been constructed in accordance with the approved plans, specifications and conditions of this Authority to Construct, and to determine if the equipment can be operated in compliance with all Rules and Regulations of the San Joaquin Valley Unified Air Pollution Control District. Unless construction has commenced pursuant to Rule 2050, this Authority to Construct shall expire and application shall be cancelled two years from the date of issuance. The applicant is responsible for complying with all laws, ordinances and regulations of all other governmental agencies which may pertain to the above equipment.

Seyed Sadredin, Executive Director / APCO

Arnaud Marjollet, Director of Permit Services
S-1326-445-0 : May 23 2014 1:55PM -- DAVIDSOS : Joint Inspection NOT Required

6. A gas-tight condition is defined as a condition without a gas 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 and shall be reported as a deviation. [District Rule 4623] Federally Enforceable Through Title V Permit
7. Any tank gauging or sampling device on a tank vented to the vapor recovery system shall be equipped with a gas-tight cover which shall be closed at all times except during gauging or sampling. [District Rule 4623] Federally Enforceable Through Title V Permit
8. The VOC content of the vapors shall not exceed 10% by weight. [District Rule 2201] Federally Enforceable Through Title V Permit
9. Operator shall conduct quarterly gas sampling for gas exiting the separator pressure vessel to qualify for exemption from fugitive component counts for components handling fluids with VOC content equal to or less than 10% by weight. If gas samples are equal to or less than 10% VOC by weight for 8 consecutive quarterly samplings, sampling frequency shall only be required annually. [District Rule 2201] Federally Enforceable Through Title V Permit
10. Except as otherwise provided in this permit, the operator shall ensure that the vapor recovery system is functional and is operating as designed at all times. [District Rule 2201] Federally Enforceable Through Title V Permit
11. All piping, fittings, and valves on this tank shall be inspected annually by the facility operator in accordance with EPA Method 21, with the instrument calibrated with methane, to ensure compliance with the leaking provisions of this permit. [District Rules 2201 and 4623] Federally Enforceable Through Title V Permit
12. Any component found to be leaking on two consecutive annual inspections is in violation of the District Rule 4623, even if it is under the voluntary inspection and maintenance program. [District Rules 2201 and 4623] Federally Enforceable Through Title V Permit
13. Permittee shall notify the APCO in writing at least three (3) days prior to performing tank degassing and interior tank cleaning activities. Written notification shall include the following: 1) the Permit to Operate number and physical location of the tank being degassed, 2) the date and time that tank degassing and cleaning activities will begin, 3) the degassing method, as allowed in this permit, to be used, 4) the method to be used to clean the tank, including any solvents to be used, and 5) the method to be used to dispose of any removed sludge, including methods that will be used to control emissions from the receiving vessel and emissions during transport. [District Rule 4623] Federally Enforceable Through Title V Permit
14. This tank shall be degassed before commencing interior cleaning by following one of the following options: 1) exhausting VOCs contained in the tank vapor space to an APCO-approved vapor recovery system until the organic vapor concentration is 5,000 ppmv or less, or is 10 percent or less of the lower explosion limit (LEL), whichever is less, or 2) by displacing VOCs contained in the tank vapor space to an APCO-approved vapor recovery system by filling the tank with a suitable liquid until 90 percent or more of the maximum operating level of the tank is filled. Suitable liquids are organic liquids having a TVP of less than 0.5 psia, water, clean produced water, or produced water derived from crude oil having a TVP less than 0.5 psia, or 3) by displacing VOCs contained in the tank vapor space to an APCO-approved vapor recovery system by filling the tank with a suitable gas. Degassing shall continue until the operator has achieved a vapor displacement equivalent to at least 2.3 times the tank capacity. Suitable gases are air, nitrogen, carbon dioxide, or natural gas containing less than 10 percent VOC by weight. [District Rule 4623] Federally Enforceable Through Title V Permit
15. During tank degassing, the operator shall discharge or displace organic vapors contained in the tank vapor space to an APCO-approved vapor recovery system. [District Rule 4623] Federally Enforceable Through Title V Permit
16. To facilitate connection to an external APCO-approved recovery system, a suitable tank fitting, such as a manway, may be temporarily removed for a period of time not to exceed 1 hour . [District Rule 4623] Federally Enforceable Through Title V Permit
17. This tank shall be in compliance with the applicable requirements of District Rule 4623 at all times during draining, degassing, and refilling the tank with an organic liquid having a TVP of 0.5 psia or greater. [District Rule 4623] Federally Enforceable Through Title V Permit

CONDITIONS CONTINUE ON NEXT PAGE

18. While performing tank cleaning activities, operators may only use the following cleaning agents: diesel, solvents with an initial boiling point of greater than 302 degrees F, solvents with a vapor pressure of less than 0.5 psia, or solvents with 50 grams of VOC per liter or less. [District Rule 4623] Federally Enforceable Through Title V Permit

19. Steam cleaning shall only be allowed at locations where wastewater treatment facilities are limited, or during the months of December through March. [District Rule 4623] Federally Enforceable Through Title V Permit

20. Operator shall maintain an inspection log containing the following 1) Type of component leaking; 2) Date and time of leak detection, and method of detection; 3) Date and time of leak repair, 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 Rules 2201 and 4623] Federally Enforceable Through Title V Permit

21. Operator shall maintain all records of required monitoring data and support information for inspection at any time for a period of five years. [District Rule 1070]

San Joaquin Valley
Air Pollution Control District

AUTHORITY TO CONSTRUCT

PERMIT NO: S-1326-446-0 **ISSUANCE DATE:** DRAFT

LEGAL OWNER OR OPERATOR: VINTAGE PRODUCTION CALIFORNIA LLC
MAILING ADDRESS: 9600 MING AVE, SUITE 300
BAKERSFIELD, CA 93311

LOCATION: HEAVY OIL CENTRAL STATIONARY SOURCE
KERN COUNTY, CA

SECTION: SW 23 **TOWNSHIP:** 28S **RANGE:** 27E

EQUIPMENT DESCRIPTION:
6300 BBL FIXED ROOF CRUDE OIL TANK VENTED TO VAPOR CONTROL SYSTEM LISTED ON TANK S-1326-263

CONDITIONS

1. {1830} 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. {1831} 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. ATC S-1326-263-24 shall be implemented concurrent with this ATC. [District Rule 2201] Federally Enforceable Through Title V Permit
4. The tank shall be equipped with a vapor control system consisting of a closed vent system that collects all VOCs from the storage tank, and a VOC control device. The vapor control system shall be APCO-approved and maintained in leak-free condition. Vapors shall be discharged to 95% efficient control device. [District Rule 4623] Federally Enforceable Through Title V Permit
5. All piping, valves, and fittings shall be constructed and maintained in a gas-tight condition. [District Rule 4623] Federally Enforceable Through Title V Permit

CONDITIONS CONTINUE ON NEXT PAGE

YOU MUST NOTIFY THE DISTRICT COMPLIANCE DIVISION AT (661) 392-5500 WHEN CONSTRUCTION IS COMPLETED AND PRIOR TO OPERATING THE EQUIPMENT OR MODIFICATIONS AUTHORIZED BY THIS AUTHORITY TO CONSTRUCT. This is NOT a PERMIT TO OPERATE. Approval or denial of a PERMIT TO OPERATE will be made after an inspection to verify that the equipment has been constructed in accordance with the approved plans, specifications and conditions of this Authority to Construct, and to determine if the equipment can be operated in compliance with all Rules and Regulations of the San Joaquin Valley Unified Air Pollution Control District. Unless construction has commenced pursuant to Rule 2050, this Authority to Construct shall expire and application shall be cancelled two years from the date of issuance. The applicant is responsible for complying with all laws, ordinances and regulations of all other governmental agencies which may pertain to the above equipment.

Seyed Sadredin, Executive Director / APCO

Arnaud Marjollet, Director of Permit Services
S-1326-446-0 : May 23 2014 1:55PM -- DAVIDSOS : Joint Inspection NOT Required

6. A gas-tight condition is defined as a condition without a gas 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 and shall be reported as a deviation. [District Rule 4623] Federally Enforceable Through Title V Permit

7. Any tank gauging or sampling device on a tank vented to the vapor recovery system shall be equipped with a gas-tight cover which shall be closed at all times except during gauging or sampling. [District Rule 4623] Federally Enforceable Through Title V Permit

8. The VOC content of the vapors shall not exceed 10% by weight. [District Rule 2201] Federally Enforceable Through Title V Permit

9. Operator shall conduct quarterly gas sampling for gas exiting the separator pressure vessel to qualify for exemption from fugitive component counts for components handling fluids with VOC content equal to or less than 10% by weight. If gas samples are equal to or less than 10% VOC by weight for 8 consecutive quarterly samplings, sampling frequency shall only be required annually. [District Rule 2201] Federally Enforceable Through Title V Permit

10. Except as otherwise provided in this permit, the operator shall ensure that the vapor recovery system is functional and is operating as designed at all times. [District Rule 2201] Federally Enforceable Through Title V Permit

11. All piping, fittings, and valves on this tank shall be inspected annually by the facility operator in accordance with EPA Method 21, with the instrument calibrated with methane, to ensure compliance with the leaking provisions of this permit. [District Rules 2201 and 4623] Federally Enforceable Through Title V Permit

12. Any component found to be leaking on two consecutive annual inspections is in violation of the District Rule 4623, even if it is under the voluntary inspection and maintenance program. [District Rules 2201 and 4623] Federally Enforceable Through Title V Permit

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14. This tank shall be degassed before commencing interior cleaning by following one of the following options: 1) exhausting VOCs contained in the tank vapor space to an APCO-approved vapor recovery system until the organic vapor concentration is 5,000 ppmv or less, or is 10 percent or less of the lower explosion limit (LEL), whichever is less, or 2) by displacing VOCs contained in the tank vapor space to an APCO-approved vapor recovery system by filling the tank with a suitable liquid until 90 percent or more of the maximum operating level of the tank is filled. Suitable liquids are organic liquids having a TVP of less than 0.5 psia, water, clean produced water, or produced water derived from crude oil having a TVP less than 0.5 psia, or 3) by displacing VOCs contained in the tank vapor space to an APCO-approved vapor recovery system by filling the tank with a suitable gas. Degassing shall continue until the operator has achieved a vapor displacement equivalent to at least 2.3 times the tank capacity. Suitable gases are air, nitrogen, carbon dioxide, or natural gas containing less than 10 percent VOC by weight. [District Rule 4623] Federally Enforceable Through Title V Permit

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17. This tank shall be in compliance with the applicable requirements of District Rule 4623 at all times during draining, degassing, and refilling the tank with an organic liquid having a TVP of 0.5 psia or greater. [District Rule 4623] Federally Enforceable Through Title V Permit

CONDITIONS CONTINUE ON NEXT PAGE

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19. Steam cleaning shall only be allowed at locations where wastewater treatment facilities are limited, or during the months of December through March. [District Rule 4623] Federally Enforceable Through Title V Permit

20. Operator shall maintain an inspection log containing the following 1) Type of component leaking; 2) Date and time of leak detection, and method of detection; 3) Date and time of leak repair, 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 Rules 2201 and 4623] Federally Enforceable Through Title V Permit

21. Operator shall maintain all records of required monitoring data and support information for inspection at any time for a period of five years. [District Rule 1070]