AIR POLLUTION CONTROL DISTRICT



DEC 1 0 2013

Mr. Jerry Frost Vintage Production California LLC 9600 Ming Ave, Suite 300 Bakersfield, CA 93311

Re: Final - Authority to Construct / COC (Significant Mod) District Facility # S-1326 Project # 1133983

Dear Mr. Frost:

The Air Pollution Control Officer has issued an Authority to Construct (S-1327-209-0) with a Certificate of Conformity to Vintage Production California LLC at the heavy oil production stationary source in the western Kern County fields. The project authorizes the installation of a 500 bbl fixed-roof crude oil storage tank (Baker tank). Enclosed are the an Authority to Construct and a copy of the notice of final action to be published approximately three days from the date of this letter.

Notice of the District's preliminary decision to issue the Authority to Construct permit was published on October 25, 2013. The District's analysis of the proposal was also sent to CARB and US EPA Region IX on October 22, 2013. No comments were received following the District's preliminary decision on this project.

Prior to operating with modifications authorized by the Authority to Construct, you must submit an application to modify the Title V permit as an administrative amendment in accordance with District Rule 2520, Section 11.5.

Thank you for your cooperation in this matter. If you have any questions, please contact Mr. Leonard Scandura, Permit Services Manager, at (661) 392-5500.

rel David Warner

Director of Permit Services

DW:RE/st

Enclosures

CC: CC:

Mike Tollstrup, CARB (w/enclosure) via email Gerardo C. Rios, EPA (w/enclosure) via email

> 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 Flyaver Caurt Bakersfield, CA 93308-9725 Tel: 661-392-5500 FAX: 661-392-5585

www.valleyair.org www.healthyairliving.com



ISSUANCE DATE: 12/09/2013

AUTHORITY TO CONSTRUCT

PERMIT NO: S-1327-209-0

MAILING ADDRESS:

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

LOCATION:

HEAVY OIL WESTERN, KERN COUNTY CA

SECTION: NE 17 TOWNSHIP: 11N RANGE: 23W

EQUIPMENT DESCRIPTION:

500 BBL FIXED-ROOF CRUDE OIL STORAGE TANK (BAKER TANK) WITH P/V VALVE

CONDITIONS

- This Authority to Construct serves as a written certificate of conformity with the procedural requirements of 40 CFR 1 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
- Prior to operating with modifications authorized by this Authority to Construct, the facility shall submit an application 2. 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
- Crude oil throughput shall not exceed 50 barrels per day based on a monthly average. [District Rule 2201] Federally 3. Enforceable Through Title V Permit
- This tank shall only store, place, or hold organic liquid with a true vapor pressure (TVP) of less than 0.5 psia under all 4. storage conditions. [District Rules 2201 and 4623] Federally Enforceable Through Title V Permit
- Permittee shall conduct true vapor pressure (TVP) testing of the organic liquid stored in this tank at least once every 24 5. 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 Rules 2201 and 4623] Federally Enforceable Through Title V Permit
- The TVP testing shall be conducted at actual storage temperature of the organic liquid in the tank. The permittee shall 6. also conduct API gravity testing. [District Rules 2201 and 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.

Seved Sadredin, Executive Director / APCO

WARNER, Director of Permit Services

Southern Regional Office • 34946 Flyover Court • Bakersfield, CA 93308 • (661) 392-5500 • Fax (661) 392-5585

Conditions for S-1327-209-0 (continued)

- 7. For crude oil with an API gravity of greater than 26 degrees, the TVP shall be determined by measuring the Reid Vapor Pressure (RVP) using ASTM D 323-94 (Test Method for Vapor Pressure for Petroleum Products), and converting RVP to TVP at the tanks maximum organic liquid storage temperature. The conversion of RVP to TVP shall be done in accordance with the procedures in Appendix B of Rule 4623. As an alternative to using ASTM D 323-94, the TVP of crude oil with an API gravity range greater than 26 degrees up to 30 degrees may be determined by using other equivalent test methods approved by APCO, ARB, and US EPA. [District Rules 2201 and 4623] Federally Enforceable Through Title V Permit
- 8. 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 Rules 2201 and 4623] Federally Enforceable Through Title V Permit
- 9. The API gravity of crude oil or petroleum distillate shall be determined by using ASTM Method D 287 el "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 Rules 2201 and 4623] Federally Enforceable Through Title V Permit
- 10. 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 Rules 1070 and 2201] Federally Enforceable Through Title V Permit
- 11. Permittee shall maintain monthly records of average daily crude oil throughput and shall keep accurate records of each organic liquid stored in the tank, including its storage temperature, TVP, and API gravity. [District Rule 2201 & 4623] Federally Enforceable Through Title V Permit
- 12. 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 1070]
- 13. Permit to Operate S-1327-91-1 shall be canceled upon implementation of ATC. [District Rule 2201] Federally Enforceable Through Title V Permit