

PETITION FOR A HEARING
BEFORE THE HEARING BOARD OF THE
SAN JOAQUIN VALLEY AIR POLLUTION CONTROL DISTRICT

☐ Northern Region Office
4800 Enterprise Way
Modesto, CA 95356

☐ Central Region Office
1990 E. Gettysburg Ave.
Fresno, CA 93726

☒ Southern Region Office
34946 Flyover Court
Bakersfield, CA 93308

TYPE OF HEARING

FEES (Non-Refundable)

☒ A.	Short Variance (90 Days or Less)	\$ 987.00
☐ B.	Interim & Short Variance	\$1443.00
☐ C.	Emergency Variance	\$ 343.00
☐ D.	Regular Variance	\$1136.00
☐ E.	Interim & Regular Variance	\$1592.00
☐ F.	Appeal Hearing	\$1136.00
☐ G.	Extension of Variance	\$ 456.00
☐ H.	Modification of Variance	\$ 456.00
☐ I.	Modification of Variance Schedule of Progress	\$ 456.00
☐ J.	Product Variance	\$1515.00
☐ K.	Rehearing	\$1136.00
☐ L.	Revocation of Variance	\$ 456.00
☐ M.	Special Hearing	\$1136.00

In addition to the filing fee above, an excess emissions fee will be assessed at the conclusion of the variance at \$3.00 per pound on the excess emissions emitted during the variance period. Additionally, a \$3.75 per pound mitigation fee will be assessed if excess emissions are greater than 2000 pounds.

A. NAME OF FACILITY: California Resources Corporation

PHYSICAL ADDRESS OF FACILITY: Mt. Poso Oilfield

CITY: Bakersfield STATE: CA ZIP CODE: 93308

NAME OF PERSON FILLING OUT PETITION: Wm. Douglas Shaffer

TELEPHONE: (661) 428-5972 E-MAIL: william.shaffer@crc.com

NAME OF PERSON AUTHORIZED TO RECEIVE NOTICES: Wm. Douglas Shaffer

MAILING ADDRESS: 9600 Ming Ave

CITY: Bakersfield STATE: CA ZIP CODE: 93311

TELEPHONE: (661) 428-5972 E-MAIL: william.shaffer@crc.com

B. TYPE OF ENTITY (Check One)

☐ LLC

☐ Partnership

☒ Corporation

☐ Other Entity

Please include the name, title, and address of officers, if a corporation; partners, if a partnership; or the person(s) in control, if other entity.

(Attach additional sheets, if needed)

NAME	TITLE	ADDRESS
Vincent In den Kleef	SJV Field Manager	9600 Ming Ave, Bakersfield, CA
Julie Means	HSE Manager - Elk Hills	9600 Ming Ave, Bakersfield, CA

In accordance with State Law, the District will provide assistance to small businesses in preparing and filing the petition for the hearing. Small business has the same meaning as defined in the Small Business Administration, except that no stationary source which is a major source can be a small business.

If you plan on having attendees participate via the video teleconferencing system in a region other than that of which you filed the petition, please check the box(s) below for the region they will be participating:

☒ Bakersfield

☐ Fresno

☐ Modesto

1. Describe the type of business conducted at your facility.

Oil and gas production

2. Describe in detail the equipment or activity that is the subject of this petition, what the equipment is used for, and why it is necessary to the operation of your facility. Include all pertinent information necessary to describe the activity including: fuels burned, raw materials processed, product produced, true vapor pressure of all volatile organic compounds, site diagrams, material flow charts, fuel systems, and diagrams of air pollution control systems if necessary. Provide photos as well.

Tank vapor recovery system (TVR) is utilized to control VOC emissions from the production of crude oil at CRC's Mt. Poso facilities. The vapors are used for fuel in Mt. Poso heater treaters.

3. List all the District Permits to Operate and/or Authorities to Construct and the corresponding permit conditions for which you are requesting variance protection and **explain** how you are violating, or will violate the condition(s). Please list the current version(s).

See attached

4. List all District Rule numbers, including subsections, for which you are requesting variance protection and **explain** how you are violating or will violate the rule(s).

Rule 2520 - 9.3.1 - Without a variance, permittee cannot comply with all conditions of the permit

Rule 2201 - Without a variance, permittee cannot comply with the performance requirements of NSR and the permit

Rule 4623 - 5.0 - Without a variance, permittee will store organic liquid without necessary control device, or will not satisfy the collection and control efficiency required by the Rule

5. Why is it beyond your reasonable control to comply with the rule(s) and/or permit condition(s)?

CRC received notice from PG&E that they will be conducting a power outage which will affect CRC's Mt. Poso facilities. PG&E will shutoff power on for a maximum of 72 hours in February 2026 to conduct maintenance activity on their equipment. When the power is off, the vapor collection systems at the Mount Poso facilities will not be operational as required by the TVR permits.

6. What would be the harm to your business if the variance were not granted? Include business closure, economic losses in dollar amounts, breach of contracts, hardships on customers, employee lay-offs, loss of market share to competitors, etc.

The PG&E power outage will result in CRC's Mt. Poso facility to be shut down, for a loss of approximately 5900 bbl/day. With Brent crude oil selling at approximately \$60/bbl, this equates to an estimated loss of \$354,000/day.

If the variance is not granted, CRC will need to remove all fluids and vapors from the tanks and clean out the tanks to comply with the permit requirements. Thus the cost for emptying and cleaning of the tanks would equate to further financial loss to CRC and would not correspond to an environmental benefit.

7. What date, and under what circumstances, did your facility first become aware that it would **not** be in compliance?

CRC was notified by PG&E of the planned outage on Dec 15, 2025. Due to holiday schedules, Operators and HSE were not aware of the notice until Jan 5, 2026. CRC requested and was granted a revised action date beginning February 12, 2026.

8. What actions have you taken since that time to achieve compliance?

The system is currently in compliance

9. Explain what options have been evaluated towards curtailment or termination of operations in lieu of obtaining a variance.

Operations at the Mt. Poso facility will be curtailed during the power outage as there will be no electricity to power pumping units. All wells will be shut-in.

10. Estimate the excess emissions in total pounds over the duration of the variance period. *Estimate the maximum amount of excess emissions that will occur.*

Pollutant	Pollutant Limit	Estimated Emissions	<i>Excess emissions are those that are in excess of the rules or permit conditions or otherwise lawfully allowed</i>	Total Estimated Excess Emissions
VOC	28.32 lbs	138.78 lbs		110.46 lbs
NO _x				
CO				
SO _x				
PM ₁₀				
PM _{2.5}				

Highest Opacity level anticipated: 0 %

11. Show all calculations and provide references for emission factors used in estimating excess emissions.

See attached emission calculations. Total excess emissions were calculated over a 72 hour period is estimated to be 110.5 lbs VOC.

12. Explain how you can reduce or mitigate excess emissions during the variance period. (such as shutting equipment down or reducing production to offset excess emissions)

During the power outage the TVR systems will remain intact and contain the vapors from the tanks. Wells will be shut-in during the power outage.

13. If there are excessive hazardous or toxic emissions, attach a health risk assessment and receptor modeling data.

14. Can you monitor or quantify emission levels from the subject equipment or activity during the variance period and make such records available to the District? Source tests, engineering tests, or portable emission analyzers can be utilized.

Yes: ☐ No: ☒ Provide an explanation of your response.

During the power outage the TVR systems will remain intact and contain the vapors from the tanks. Emissions would only occur from pressure relief valves located on the tanks.

15. How do you intend to achieve compliance with the rules or permit conditions? Include a detailed description of any equipment to be installed and/or modifications to be made, a listing of the dates by which the actions will be completed, and an estimate of the total cost, if available.

CRC will bring the TVR systems to full operation once PG&E restores power.

16. State the dates you are requesting the variance to begin and end (the end date should be the date you expect to achieve compliance with the rules, regulations, and permit conditions). Please overestimate the time needed to allow for any contingencies.

Begin variance: February 12, 2026 End variance: February 28, 2026

17. Please state if you need special time designations. For example: "We need 15 non-consecutive days between such and such date."

CRC is requesting 72 non-consecutive hours variance within the time period of Feb 12, 2026 and Feb 28, 2026.

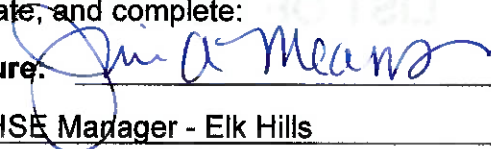
18. If a variance, or series of variances, is to extend beyond one year, you must attach a Schedule of Increments of Progress pursuant to Rule 5050 – *Compliance Schedule* which must specify certain dates or milestones to be met in achieving compliance.

19. List the names of any District personnel who are familiar with the facility (inspectors, permit engineers, etc.) or with whom facility representatives have had contact concerning this variance petition, or any related NOV or NTC.

Lawrence Torres, Erin Scott

Based on information and belief formed after reasonable inquiry, the statements and information in the document are true, accurate, and complete:

Date: January 21, 2026

***Signature:** 

Title: HSE Manager - Elk Hills

Print Name: Julie Means

**must be signed by a responsible official if petitioner is a Title V source*

The original petition in this format, and any attachments must be submitted to the District. Any attachments that are extraordinarily difficult to reproduce, such as full color photographs, must be submitted as six copies. Petitions which are incomplete, illegible, submitted in the wrong format, or without the necessary filing fee will be returned. If you need assistance completing this petition and/or developing a compliance schedule, contact the Compliance Department in your region.

Northern Region Office
(209) 557-6440

Central Region Office
(559) 230-5950

Southern Region Office
(661) 392-5540

You may hand deliver, mail, or email this petition to variance@valleyair.org

LIST OF PERMITS AND CONDITIONS

3. Please list all the District permits and the corresponding permit conditions for which you are requesting variance protection and explain how you are violating, or will violate the condition(s). Please ensure to list the most current version(s) including any Authority to Construct if operating under one. The following tank permits and conditions:

The listed tank conditions require an operational tank TVR. The TVR systems will not be operational during the power outage period. However, the tanks will remain connected to the TVR system.

PTO S-8452-0-3: Condition 5
PTO S-8452-10-4: Condition 2
ATC S-8452-11-3: Condition 3
ATC S-8452-14-12: Condition 5
ATC S-8452-15-6: Condition 4
PTO S-8452-76-2: Condition 1 and 4
PTO S-8452-77-2: Conditions 1 and 4
PTO S-8452-81-8: Conditions 1 and 4
PTO S-8452-82-2: Conditions 1 and 4
PTO S-8452-85-7: Condition 1
PTO S-8452-86-2: Condition 4
PTO S-8452-87-2: Condition 4
PTO S-8452-88-2: Condition 4
PTO S-8452-92-2: Condition 10
PTO S-8452-93-2: Condition 10
PTO S-8452-96-2: Condition 6
PTO S-8452-97-2: Condition 6
PTO S-8452-98-0: Condition 1
PTO S-8452-99-3: Condition 1
PTO S-8452-100-3: Condition 5
ATC S-8452-104-0: Condition 3
PTO S-8452-107-1: Conditions 1

EMISSION CALCULATIONS

Mt. Poso Facility S-8452
PG&E Scheduled Power Outage
Estimated Tank Emissions

Estimated Outage Date:

Feb 12 2026 - Feb 28 2026

Estimated Outage Length (hrs):

72

(72 non-consecutive hours)

PTO #	Tank	VOC Limit	Estimated Uncontrolled Emissions		
		lb/day	lb/day	lb/hr	Total lbs for 48 hrs
S-8452-10	Vedder T-4464	0.5	12.5	0.5208	37.5
S-8452-11	So. Unit T-8	0.008	0.3	0.0125	0.90
S-8452-14	So. Unit T-4855	0	0	0.0000	0
S-8452-15	So. Unit T-4856	0	0	0.0000	0
S-8452-76	No. Unit T-4337	0.1	4.1	0.1708	12.3
S-8452-77	No. Unit T-4338	0.1	2.3	0.0958	6.9
S-8452-81	No. Unit T-4330A	0.5	0.6	0.0250	1.8
S-8452-82	No. Unit T-4344	0.1	0	0.0000	0
S-8452-85	Vedder T-4265	0.5	12.5	0.5208	37.5
S-8452-86	Vedder T-4251	0.12	2.3	0.0958	6.9
S-8452-87	Vedder T-4254	0.12	2.3	0.0958	6.9
S-8452-88	Vedder T-4259	0.10	4.76	0.1983	14.28
S-8452-92	No. Unit V-4311B	0.5	0.4	0.0167	1.2
S-8452-93	No. Unit V-7479	0.5	0.4	0.0167	1.2
S-8452-96	No. Unit T-4341	0.5	0.6	0.0250	1.8
S-8452-97	No. Unit T-4339A	0.5	0.6	0.0250	1.8
S-8452-98	No. Unit T-4457	0.5	0.6	0.0250	1.8
S-8452-99	Vedder V-4447	4	1	0.0417	3
S-8452-100	Vedder V-4448	0.4	1	0.0417	3
S-8452-104	South Unit V-072	0.4	0	0.0000	0
S-8452-107	Vedder T-4261	0.00	0	0.0000	0
TOTAL PERMITTED VOC EMISSIONS		9.44	TOTAL ESTIMATE EMISSIONS (LBS)		138.78

28.314

TOTAL EXCESS EMISSIONS (LBS)

110.466

