MAR 09 2010

Richard Garcia
Occidental of Elk Hills
PO Box 1001
Tupman, CA 93276-1001

RE: Notice of Final Action - Authority to Construct
Project Number: S-1084448

Dear Mr. Garcia:

The Air Pollution Control Officer has issued an Authority to Construct permit to Occidental of Elk Hills for one 85 MMBTU/hr steam generator, at the SE/4 of Section 35, Township 30S, Range 22E.

Enclosed is a copy of the Authority to Construct permit 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 this Authority to Construct was published on February 1, 2010. The District's analysis of the proposal was also sent to CARB on January 27, 2010. No comments were received following the District's preliminary decision on this project.

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

Sincerely,

David Warner
Director of Permit Services

DW: DBT/cm

Enclosures
MAR 09 2010

Mike Tollstrup, Chief
Project Assessment Branch
Stationary Source Division
California Air Resources Board
PO Box 2815
Sacramento, CA 95812-2815

RE: Notice of Final Action - Authority to Construct
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David Warner
Director of Permit Services

DW: DBT/cm

Enclosures

Seyed Sadredin
Executive Director/Air Pollution Control Officer

Northern Region
4800 Enterprise Way
Modesto, CA 95356-8718
Tel: (209) 557-6400 FAX: (209) 557-6475

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

Southern Region
34948 Flyover Court
Bakersfield, CA 93308-9725
Tel: 661-392-5500 FAX: 661-392-5585

www.valleyair.org www.healthyairliving.com
NOTICE OF FINAL ACTION
FOR THE ISSUANCE OF AUTHORITY
TO CONSTRUCT PERMITS

NOTICE IS HEREBY GIVEN that the Air Pollution Control Officer has issued an Authority to Construct permit to Occidental of Elk Hills for one 85 MMBTU/hr steam generator, at the SE/4 of Section 35, Township 30S, Range 22E.

No comments were received following the District's preliminary decision on this project.

The application review for Project #S-1084448 is available for public inspection at http://www.valleyair.org/notices/public_notices_idx.htm and the SAN JOAQUIN VALLEY UNIFIED AIR POLLUTION CONTROL DISTRICT, 34946 FLYOVER COURT, BAKERSFIELD, CA 93308.
AUTHORITY TO CONSTRUCT

PERMIT NO: S-6848-12-0

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

LOCATION: HEAVY OIL WESTERN

SECTION: SE 35  TOWNSHIP: 30S  RANGE: 22E

EQUIPMENT DESCRIPTION:
85 MMBTU/HR NATURAL GAS/TEOR-FIRED STEAM GENERATOR WITH MAGNA-FLAME LE BURNER AND FLUE
GAS RECIRCULATION

CONDITIONS

1. No air contaminant shall be released into the atmosphere which causes a public nuisance. [District Rule 4102]

2. 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. [District Rule 4101]

3. Particulate matter emissions shall not exceed 0.1 grains/dscf in concentration. [District Rule 4201]

4. The unit shall only be fired on gaseous fuel that includes PUC quality natural gas, tank vapor recovery gas, and gas produced during thermally enhanced oil recovery (TEOR) operation or a mixture of any of these fuels. [District Rule 2201]

5. Sulfur content in the gaseous fuel shall not exceed 1.0 grain per 100 dry standard cubic feet. [District Rule 2201]

6. Emission rates shall not exceed: PM10: 0.005 lb/MMBtu, VOC: 0.006 lb/MMBtu, NOx (as NO2): 7 ppmv NOx @ 3% O2, or CO: 30 ppmv @ 3% O2. [District Rules 2201, 4305, 4306, and 4320]

7. When complying with sulfur emission limits by fuel analysis or by a combination of source testing and fuel analysis, each fuel source shall be tested weekly for sulfur content and higher heating value. If compliance with the fuel sulfur content limit and sulfur emission limits has been demonstrated for 8 consecutive weeks for a fuel source, then the fuel testing frequency shall be quarterly. If a quarterly fuel content source test fails to show compliance, weekly testing shall resume. [District Rule 1070, 2201, 4305, 4306, and 4320]

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 Sadedin, Executive Director / APCO

DAVID WARNER, Director of Permit Services
S-6848-12-0  Mar 4 2012 2:17PM - TORD - Join inspection NOT Required
Southern Regional Office  •  34946 Flyover Court  •  Bakersfield, CA 93308  •  (661) 392-5500  •  Fax (661) 392-5585
Printed on recycled paper.
8. Sulfur content of the gaseous fuel being fired in the unit shall be determined using ASTM D 1072, D 3031, D 4084, D 3246 or grab sample analysis by GC-FPD/TCD, double GC for H2S and mercaptans, performed in the laboratory. Should the applicant decide to use different methodology, the methodology must be approved by the District prior to its use. [District Rule 1070, 2201, 4305, 4306, and 4320]

9. If fuel analysis is used to demonstrate compliance with the conditions of this permit, the fuel higher heating value for each fuel shall be certified by third party fuel supplier or determined by ASTM D 1826 or D 1943 in conjunction with ASTM D 3588 for gaseous fuels. [District Rule 2201, 4305, 4306, and 4320]

10. Source testing to measure fuel combustion NOx, CO and PM10 emissions from this unit shall be conducted within 30 days of initial start-up. Source test shall be conducted using a gas mixture including PUC-quality natural gas and the expected amounts of tank vapor recovery (TVR) gas and thermally enhanced oil recovery (TEOR) gas for PM10 emissions testing. [District Rules 2201, 4305, 4306, and 4320]

11. The permittee shall monitor and record the stack concentration of NOx, CO, and O2 at least once every month (in which a source test is not performed) using a portable emission monitor that meets District specifications. Monitoring shall not be required if the unit is not in operation, i.e. the unit need not be started solely to perform monitoring. Monitoring shall be performed within 5 days of restarting the unit unless monitoring has been performed within the last month. [District Rules 2201, 4305, 4306, and 4320]

12. If either the NOx or CO concentrations corrected to 3% O2, as measured by the portable analyzer, exceed the allowable emissions concentration, the permittee shall return the emissions to within the acceptable range as soon as possible, but no longer than 1 hour of operation after detection. If the portable analyzer readings continue to exceed the allowable emissions concentration after 1 hour of operation after detection, the permittee shall notify the District within the following 1 hour and conduct a certified source test within 60 days of the first exceedance. In lieu of conducting a source test, the permittee may stipulate a violation has occurred, subject to enforcement action. The permittee must then correct the violation, show compliance has been re-established, and resume monitoring procedures. If the deviations are the result of a qualifying breakdown condition pursuant to Rule 1100, the permittee may fully comply with Rule 1100 in lieu of performing the notification and testing required by this condition. [District Rules 2201, 4305, 4306, and 4320]

13. All alternate monitoring parameter emission readings shall be taken with the unit operating either at conditions representative of normal operations or conditions specified in the Permit to Operate. The analyzer shall be calibrated, maintained, and operated in accordance with the manufacturer's specifications and recommendations or a protocol approved by the APCO. Emission readings taken shall be averaged over a 15 consecutive-minute period by either taking a cumulative 15 consecutive-minute sample reading or by taking at least five (5) readings, evenly spaced out over the 15 consecutive-minute period. [District Rules 2201, 4305, 4306, and 4320]

14. The permittee shall maintain records of: (1) the date and time of NOx, CO, and O2 measurements, (2) the O2 concentration in percent and the measured NOx and CO concentrations corrected to 3% O2, (3) make and model of exhaust gas analyzer, (4) exhaust gas analyzer calibration records, and (5) a description of any corrective action taken to maintain the emissions within the acceptable range. [District Rules 2201, 4305, 4306, and 4320]

15. All emissions measurements shall be made with the unit operating either at conditions representative of normal operations or conditions specified in the Permit to Operate. No determination of compliance shall be established within two hours after a continuous period in which fuel flow to the unit is shut off for 30 minutes or longer, or within 30 minutes after a re-ignition as defined in Section 3.0 of District Rule 4306. [District Rules 2201, 4305, 4306, and 4320]

16. Source testing to measure NOx and CO emissions from this unit shall be conducted at least once every twelve (12) months. After demonstrating compliance on two (2) consecutive annual source tests, the unit shall be tested not less than once every thirty-six (36) months. If the result of the 36-month source test demonstrates that the unit does not meet the applicable emission limits, the source testing frequency shall revert to at least once every twelve (12) months. [District Rules 2201, 4305, 4306, and 4320]

17. The source test plan shall identify which basis (ppmv or lb/MMBtu) will be used to demonstrate compliance. [District Rule 4305, 4306 and 4320]
18. Source testing shall be conducted using the methods and procedures approved by the District. The District must be notified at least 30 days prior to any compliance source test, and a source test plan must be submitted for approval at least 15 days prior to testing. [District Rule 1081]

19. NOx emissions for source test purposes shall be determined using EPA Method 7E or ARB Method 100 on a ppmv basis, or EPA Method 19 on a heat input basis. [District Rules 2201, 4305, 4306, and 4320]

20. CO emissions for source test purposes shall be determined using EPA Method 10 or ARB Method 100. [District Rules 2201, 4305, 4306, and 4320]

21. Stack gas oxygen (O2) shall be determined using EPA Method 3 or 3A or ARB Method 100. [District Rules 2201, 4305, 4306, and 4320]

22. Source testing to measure PM10 shall be conducted using either: EPA Method 201 or 201A, and 202; or CARB Method 5 in combination with 501. Should the applicant decided to use different methodology, the methodology must be approved by the District prior to its use. [District Rule 2201]

23. In lieu of performing a source test for PM10, the results of the total particulate test may be used for compliance with the PM10 emissions limit provided the results include both the filterable and condensable (back half) particulate, and that all particulate matter is assumed to be PM10. Source testing to measure concentrations of total particulate emissions shall be conducted using EPA method 5. [District Rule 2201]

24. For emissions source testing, the arithmetic average of three 30-consecutive-minute test runs shall apply. If two or three runs are above an applicable limit the test cannot be used to demonstrate compliance with an applicable limit. [District Rules 2201, 4305, 4306, and 4320]

25. The results of each source test shall be submitted to the District within 60 days thereafter. [District Rule 1081]

26. Permittee shall maintain a record of the duration of each startup and shutdown of this unit. [District Rule 4305, 4306, and 4320]

27. All records shall be maintained and retained on-site for a minimum of five (5) years, and shall be made available for District inspection upon request. [District Rules 1070, 2201, 4305, 4306, and 4320]

28. Prior to operating equipment under this Authority to Construct, permittee shall surrender NOx emission reduction credits for the following quantity of emissions: 1st quarter - 1582 lb, 2nd quarter - 1582 lb, 3rd quarter - 1582 lb, and fourth quarter - 1582 lb. Offsets shall be provided at the applicable offset ratio specified in Table 4-2 of Rule 2201 (as amended 9/21/06). [District Rule 2201]

29. ERC Certificate Number S-2824-2 (or a certificate split from this certificate) shall be used to supply the required offsets, unless a revised offsetting proposal is received and approved by the District, upon which this Authority to Construct shall be reissused, administratively specifying the new offsetting proposal. Original public noticing requirements, if any, shall be duplicated prior to reissuance of this Authority to Construct. [District Rule 2201]

30. Prior to operating equipment under this Authority to Construct, permittee shall surrender VOC emission reduction credits for the following quantity of emissions: 1st quarter - 1117 lb, 2nd quarter - 1117 lb, 3rd quarter - 1117 lb, and fourth quarter - 1117 lb. Offsets shall be provided at the applicable offset ratio specified in Table 4-2 of Rule 2201 (as amended 9/21/06). [District Rule 2201]

31. ERC Certificate numbers S-1704-1 and S-1708-1 (or a certificate split from these certificates) shall be used to supply the required offsets, unless a revised offsetting proposal is received and approved by the District, upon which this Authority to Construct shall be reissused, administratively specifying the new offsetting proposal. Original public noticing requirements, if any, shall be duplicated prior to reissuance of this Authority to Construct. [District Rule 2201]