SEP 02 2010

William Fall
Chevron U.S.A. Inc.
P.O. Box 1392
Bakersfield, CA 93302

Re: Notice of Final Decision - ATC / Certificate of Conformity
Facility # S-1129
Project # S-1102475

Dear Mr. Fall:

The Air Pollution Control Officer has issued Authority to Construct permit to
Chevron U.S.A. Inc. for its Heavy Oil Facility at Mckittrick Oilfield, Heavy Oil
Western Source, Bakersfield, California. A 1,250 BHP diesel-fired emergency
standby Black Start electrical generator will be installed.

Enclosed are copies 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 the Authority to Construct
permits with Certificate of Conformity was published on 07/26/10. The District's
analysis of the proposal was also sent to US EPA Region IX on 07/26/10. 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, Permit Services Manager at (661) 392-5500.

Sincerely,

David Warner
Director of Permit Services

DW: SB/cm

Enclosures
SEP 02 2010

Mike Tollstrup, Chief
Project Assessment Branch
Air Resources Board
P O Box 2815
Sacramento, CA 95812-2815

Re: Notice of Final Decision - ATC / Certificate of Conformity
Facility # S-1129
Project # S-1102475

Dear Mr. Tollstrup:

The Air Pollution Control Officer has issued Authority to Construct permit to Chevron U.S.A. Inc. for its Heavy Oil Facility at Mckittrick Oilfield, Heavy Oil Western Source, Bakersfield, California. A 1,250 BHP diesel-fired emergency standby Black Start electrical generator will be installed.

Enclosed are copies 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 the Authority to Construct permits with Certificate of Conformity was published on 07/26/10. The District's analysis of the proposal was also sent to US EPA Region IX on 07/26/10. 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, Permit Services Manager at (661) 392-5500.

Sincerely,

David Warner
Director of Permit Services

DW: SB/cm
Enclosures
SEP 02 2010

Gerardo C. Rios, Chief
Permits Office
Air Division
U.S. EPA - Region IX
75 Hawthorne St.
San Francisco, CA 94105

Re: Notice of Final Decision - ATC / Certificate of Conformity
Facility # S-1129
Project # S-1102475

Dear Mr. Rios:

The Air Pollution Control Officer has issued Authority to Construct permit to Chevron U.S.A. Inc. for its Heavy Oil Facility at Mckittrick Oilfield, Heavy Oil Western Source, Bakersfield, California. A 1,250 BHP diesel-fired emergency standby Black Start electrical generator will be installed.

Enclosed are copies 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 the Authority to Construct permits with Certificate of Conformity was published on 07/26/10. The District's analysis of the proposal was also sent to CARB on 07/26/10. 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, Permit Services Manager at (661) 392-5500.

Sincerely,

David Warner
Director of Permit Services

DW: SB/cm

Enclosures
NOTICE OF FINAL DECISION
FOR THE ISSUANCE OF AUTHORITY
TO CONSTRUCT PERMITS

NOTICE IS HEREBY GIVEN that the Air Pollution Control Officer has issued Authority to Construct permits to Chevron U.S.A. Inc. for its Heavy Oil Facility Mckittrick Oilfield, Heavy Oil Western Source, Bakersfield, California. A 1,250 bhp diesel-fired emergency Black Start electrical generator will be installed.

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

The application review for Project #S-1102475, is available for public inspection at http://www.valleyair.org/notices/public_notices_idx.htm and the District office at the address below. SAN JOAQUIN VALLEY AIR POLLUTION CONTROL DISTRICT, 1990 E. GETTYSBURG AVE, FRESNO, CA 93726-0244.
AUTHORITY TO CONSTRUCT

PERMIT NO: S-1129-870-0

ISSUANCE DATE: 08/30/2010

LEGAL OWNER OR OPERATOR: CHEVRON U S A INC

MAILING ADDRESS: PO BOX 1392

BAKERSFIELD, CA 93302

LOCATION: HEAVY OIL WESTERN

CA

EQUIPMENT DESCRIPTION:
1250 HP CATERPILLAR MODEL C27 ATAAC DIESEL-FIRED IC ENGINE POWERING AN EMERGENCY STANDBY BLACK START ELECTRICAL GENERATOR

CONDITIONS

1. 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 NSR Rule] Federally Enforceable Through Title V Permit

2. 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. Particulate matter emissions shall not exceed 0.1 grains/dscf in concentration. [District Rule 4201] Federally Enforceable Through Title V Permit

4. 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] Federally Enforceable Through Title V Permit

5. The exhaust stack shall vent vertically upward. The vertical exhaust flow shall not be impeded by a rain cap (flapper ok), roof overhang, or any other obstruction. [District Rule 4102]

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

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

DAVID WARNER, Director of Permit Services

Southern Regional Office • 34946 Flyover Court • Bakersfield, CA 93308 • (661) 392-5500 • Fax (661) 392-5585
7. This engine shall be equipped with an operational non-resettable elapsed time meter or other APCO approved alternative [District Rule 4702, 17 CCR 93115, and 40 CFR 60 Subpart IIII] Federally Enforceable Through Title V Permit

8. Only CARB certified diesel fuel containing not more than 0.0015% sulfur by weight is to be used [District Rules 2201 and 4801, 17 CCR 93115, 40 CFR Part 60 Subpart IIII] Federally Enforceable Through Title V Permit

9. Emissions from this IC engine shall not exceed any of the following limits: 3.90 g-NOx/bhp-hr, 0.89 g-CO/bhp-hr, or 0.20 g-VOC/bhp-hr [District Rule 2201, 17 CCR 93115, and 40 CFR Part 60 Subpart IIII] Federally Enforceable Through Title V Permit

10. Emissions from this IC engine shall not exceed 0.067 g-PM10/bhp-hr based on USEPA certification using ISO 8178 test procedure [District Rules 2201 and 4102, 17 CCR 93115, and 40 CFR Part 60 Subpart IIII] Federally Enforceable Through Title V Permit

11. This engine shall be operated and maintained in proper operating condition as recommended by the engine manufacturer or emissions control system supplier. [District Rule 4702 and 40 CFR 60 Subpart IIII] Federally Enforceable Through Title V Permit

12. During periods of operation for maintenance, testing, and required regulatory purposes, the permittee shall monitor the operational characteristics of the engine as recommended by the manufacturer or emission control system supplier (for example: check engine fluid levels, battery, cables and connections; change engine oil and filters; replace engine coolant; and/or other operational characteristics as recommended by the manufacturer or supplier). [District Rule 4702] Federally Enforceable Through Title V Permit

13. An emergency situation is an unscheduled electrical power outage caused by sudden and reasonably unforeseen natural disasters or sudden and reasonably unforeseen events beyond the control of the permittee. [District Rule 4702] Federally Enforceable Through Title V Permit

14. This engine shall not be used to produce power for the electrical distribution system, as part of a voluntary utility demand reduction program, or for an interruptible power contract. [District Rule 4702] Federally Enforceable Through Title V Permit

15. The permittee shall maintain monthly records of emergency and non-emergency operation. Records shall include the number of hours of emergency operation, the date and number of hours of all testing and maintenance operations, the purpose of the operation (for example: load testing, weekly testing, rolling blackout, general area power outage, etc.) and records of operational characteristics monitoring. For units with automated testing systems, the operator may, as an alternative to keeping records of actual operation for testing purposes, maintain a readily accessible written record of the automated testing schedule. [District Rule 4702] Federally Enforceable Through Title V Permit

16. This engine shall be operated only for testing and maintenance of the engine, required regulatory purposes, and during emergency situations. Operation of the engine for maintenance, testing, and required regulatory purposes shall not exceed 50 hours per calendar year [District Rule 4702, 17 CCR 93115 and 40 CFR Part 60 Subpart IIII] Federally Enforceable Through Title V Permit

17. The permittee shall maintain monthly records of the type of fuel purchased [District Rule 4702 and 17 CCR 93115] Federally Enforceable Through Title V Permit

18. 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 Rule 4702 and 17 CCR 93115] Federally Enforceable Through Title V Permit