Michael Angelo  
Target Drilling  
P.O. Box 20005  
Bakersfield, CA 93390

RE: Notice of Final Action - Authority to Construct  
Project Number: S-1114823 and S-1114825

Dear Mr. Angelo:

The Air Pollution Control Officer has issued Authority to Construct permits to Target Drilling for nine (9) new crude oil storage tanks, at Target Drilling's Light Oil Central stationary source. Enclosed are copies of the Authority to Construct permits 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 June 22, 2012. The District's analysis of the proposal was also sent to CARB and US EPA Region IX on June 22, 2012. All comments received following the District's preliminary decision on this project were considered.

Comments received by the District during the public notice period resulted in minor changes to the engineering evaluation to be consistent with the recordkeeping condition on the permits. A condition on the operational setting of the P/V vent was also added to tanks 16, 19 and 24: These changes were minor and did not trigger additional public notification requirements, nor did they have any impact upon the Best Available Control Technology determination or on the amount of offsets required for project approval.

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

Sincerely,

[Signature]

David Warner  
Director of Permit Services

DW: DG/cm

Enclosures

Seyed Sadredin  
Executive Director/Air Pollution Control Officer

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Northern Region
4800 Enterprise Way  
Modesto, CA 95356-8718  
Tel: (209) 557-8400  FAX: (209) 557-8475

Central Region (Main Office)
1980 E. Gettysburg Avenue  
Fresno, CA 93726-0244  
Tel: (559) 230-8000  FAX: (559) 230-8061

Southern Region
34846 Flyover Court  
Bakersfield, CA 93308-9725  
Tel: 661-392-5500  FAX: 661-392-5585

www.valleyair.org  www.healthyairliving.com
AUG 07 2012

Gerardo C. Rios (AIR 3)
Chief, Permits Office
Air Division
U.S. E.P.A. - Region IX
75 Hawthorne Street
San Francisco, CA 94105

RE: Notice of Final Action - Authority to Construct
Project Number: S-1114823 and S-1114825

Dear Mr. Rios:

The Air Pollution Control Officer has issued Authority to Construct permits to Target Drilling for nine (9) new crude oil storage tanks, at Target Drilling's Light Oil Central stationary source.

Enclosed are copies of the Authority to Construct permits 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 June 22, 2012. The District's analysis of the proposal was also sent to CARB and US EPA Region IX on June 22, 2012. All comments received following the District's preliminary decision on this project were considered.

Comments received by the District during the public notice period resulted in minor changes to the engineering evaluation to be consistent with the recordkeeping condition on the permits. These changes were minor and did not trigger additional public notification requirements, nor did they have any impact upon the Best Available Control Technology determination or on the amount of offsets required for project approval.
Thank you for your cooperation in this matter. If you have any questions, please contact Mr. Leonard Scandura at (661) 392-5500.

Sincerely,

[Signature]

David Warner
Director of Permit Services

DW: DG/cm

Enclosures
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
Project Number: S-1114823 and S-1114825

Dear Mr. Tollstrup:

Thank you for your comment(s) on the above project. Following are the District’s specific responses to your comment(s):

Comment: Reporting condition of TVP and API gravity was in the engineering evaluation but not on the permit; missing operational condition on the P/V vent for tanks 16, 19 and 24.

The District removed the reporting condition from the evaluation as the TVP/API reporting will be satisfied by two other recordkeeping conditions on the permits. The P/V vent conditions were added to the three tanks. The P/V vent is currently included in the equipment description.

The Air Pollution Control Officer has issued Authority to Construct permits to Target Drilling for nine (9) new crude oil storage tanks, at Target Drilling’s Light Oil Central stationary source.

Enclosed are copies of the Authority to Construct permits and a copy of the notice of final action to be published approximately three days from the date of this letter.

We trust that the above response satisfies your concerns and appreciate your concurrence on this project. On the other hand, if you disagree with the District’s position, we would appreciate your prompt response detailing your concerns.

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) 230-8000 FAX: (559) 230-8081

Southern Region
34946 Flyover Court
Bakersfield, CA 93308-9725
Tel: 661-392-5500 FAX: 661-392-5585

www.valleyair.org www.healthyairliving.com
If you have any questions, regarding the above response, or require additional clarification, please contact Mr. Leonard Scandura at (661) 392-5500.

Sincerely,

David Warner
Director of Permit Services

DW: DG/cm

Enclosures
NOTICE OF FINAL ACTION
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 Target Drilling for nine (9) new crude oil storage tanks, at Target Drilling’s Light Oil Central stationary source.

All comments received following the District’s preliminary decision on this project were considered.

Comments received by the District during the public notice period resulted in minor changes to the engineering evaluation to be consistent with the recordkeeping condition on the permits. These changes were minor and did not trigger additional public notification requirements, nor did they have any impact upon the Best Available Control Technology determination or on the amount of offsets required for project approval.

The application review for Project #S-1114823 and S-1114825 is available for public inspection at http://www.valleyair.org/notice/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-2760-16-2

LEGAL OWNER OR OPERATOR: TARGET DRILLING COMPANY
MAILING ADDRESS: PO BOX 20005
BAKERSFIELD, CA 93390

LOCATION: LIGHT OIL CENTRAL
CA

SECTION: NE 9 TOWNSHIP: 30S RANGE: 25E

EQUIPMENT DESCRIPTION:
MODIFICATION OF 300 BBL FIXED ROOF CRUDE OIL WASH TANK WITH PV VALVE (PIONEER CANAL LEASE): REVISE TANK CAPACITY TO 400 BBL AND CORRECT TVP (CANCEL AND REPLACE '16-1)

CONDITIONS

1. No air contaminant shall be released into the atmosphere which causes a public nuisance. [District Rule 4102]
2. To maintain status as a small producer, permittee's crude oil production shall average less than 6000 bbl/day from all operations within Kern County and permittee shall not engage in refining, transporting, or marketing of refined petroleum products. [District Rule 1020]
3. Crude oil throughput shall not exceed 50 barrels per day based on a monthly average. [District Rules 2201 and 4623]
4. This tank shall be equipped with a pressure-vacuum (PV) relief valve set to within 10% of the maximum allowable working pressure of the tank, permanently labeled with the operating pressure settings, properly maintained in good operating order in accordance with the manufacturer's instructions, and shall remain in leak-free condition except when the operating pressure exceeds the valve's set pressure. [District Rule 2201]
5. This tank shall only store, place, or hold organic liquid with a true vapor pressure (TVP) of less than 6.5 psia under all storage conditions. [District Rule 2201]
6. VOC emission rate from the tank shall not exceed 7.0 lb/day. [District Rule]
7. Tank shall only operate at constant level. [District Rule 2201]

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
8. 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 2201]

9. The TVP testing shall be conducted at actual storage temperature of the organic liquid in the tank. The permittee shall also conduct API gravity testing. [District Rule 2201]

10. 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 Rule 2201]

11. 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 2201]


13. Permittee shall comply with all applicable requirements of Rule 4409. [District Rule 4409]

14. The operator shall maintain a copy of the latest APCO-approved Operator Management Plan (OMP) at the facility and make it available to the APCO, ARB, and US EPA upon request. [District Rule 4409]

15. By January 30 of each year, the operator shall submit to the APCO for approval, in writing, an annual report indicating any changes to the existing, approved OMP. [District Rule 4409]

16. The permittee shall not emit more than one half of the major source threshold based on a rolling 12-month summary of actual emissions. [District Rule 2530]

17. The permittee shall maintain a record of the rolling 12-month summary of actual emissions from permitted operations. [District Rule 2530]

18. 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 Rules 2201 and 4623]

19. 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 Rules 2201, 2530 and 4623]

20. This ATC cancels and replaces ATC S-2760-16-1. [District Rule 2201]
AUTHORITY TO CONSTRUCT

PERMIT NO: S-2760-17-D
ISSUANCE DATE: 08/01/2012

LEGAL OWNER OR OPERATOR: TARGET DRILLING COMPANY
MAILING ADDRESS: PO BOX 20005
                  BAKERSFIELD, CA 93390

LOCATION: LIGHT OIL CENTRAL
          CA

SECTION: NE9  TOWNSHIP: 30S  RANGE: 25E

EQUIPMENT DESCRIPTION:
300 BBL FIXED ROOF CRUDE OIL STORAGE TANK WITH P/V VALVE (PIONEER CANAL LEASE)

CONDITIONS

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

2. To maintain status as a small producer, permittee’s crude oil production shall average less than 6,000 bbl/day from all operations within Kern County and permittee shall not engage in refining, transporting, or marketing of refined petroleum products. [District Rule 1020]

3. Crude oil throughput shall not exceed 40 barrels per day based on a monthly average day. [District Rules 2201 and 4623]

4. This tank shall be equipped with a pressure-vacuum (PV) relief valve set to within 10% of the maximum allowable working pressure of the tank, permanently labeled with the operating pressure settings, properly maintained in good operating order in accordance with the manufacturer’s instructions, and shall remain in leak-free condition except when the operating pressure exceeds the valve’s set pressure. [District Rule 2201]

5. VOC emission rate from the tank shall not exceed 12.1 lb/day. [District Rule 2201]

6. This tank shall only store, place, or hold organic liquid with a true vapor pressure (TVP) of less than 6.5 psia under all storage conditions. [District Rule 2201]

7. 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 2201]

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 Sadreizin, 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
8. 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 2201]

9. The TVP of the organic liquid 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 the RVP to TVP at the maximum organic liquid storage temperature. [District Rule 2201]


11. Permittee shall comply with all applicable requirements of Rule 4409. [District Rule 4409]

12. The operator shall maintain a copy of the latest APCO-approved Operator Management Plan (OMP) at the facility and make it available to the APCO, ARB, and US EPA upon request. [District Rule 4409]

13. By January 30 of each year, the operator shall submit to the APCO for approval, in writing, an annual report indicating any changes to the existing, approved OMP. [District Rule 4409]

14. The permittee shall not emit more than one half of the major source threshold based on a rolling 12-month summary of actual emissions. [District Rule 2530]

15. The permittee shall maintain a record of the rolling 12-month summary of actual emissions from permitted operations. [District Rule 2530]

16. 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 Rules 2201 and 4623]

17. 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 Rules 2201, 2530 and 4623]

18. Permit to Operate S-2760-1 shall be cancelled upon implementation of this ATC. [District Rule 2201]
AUTHORITY TO CONSTRUCT

PERMIT NO: S-2760-18-0
ISSUANCE DATE: 08/01/2012

LEGAL OWNER OR OPERATOR: TARGET DRILLING COMPANY
MAILING ADDRESS: PO BOX 20005
BAKERSFIELD, CA 93390

LOCATION: LIGHT OIL CENTRAL
CA

SECTION: NE9 TOWNSHIP: 30S RANGE: 25E

EQUIPMENT DESCRIPTION:
300 BBL FIXED ROOF CRUDE OIL STORAGE TANK WITH P/V VALVE (PIONEER CANAL LEASE)

CONDITIONS

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

2. To maintain status as a small producer, permittee's crude oil production shall average less than 6,000 bbl/day from all operations within Kern County and permittee shall not engage in refining, transporting, or marketing of refined petroleum products. [District Rule 1020]

3. Crude oil throughput shall not exceed 40 barrels per day based on a monthly average day. [District Rules 2201 and 4623]

4. This tank shall be equipped with a pressure-vacuum (PV) relief valve set to within 10% of the maximum allowable working pressure of the tank, permanently labeled with the operating pressure settings, properly maintained in good operating order in accordance with the manufacturer's instructions, and shall remain in leak-free condition except when the operating pressure exceeds the valve's set pressure. [District Rule 2201]

5. VOC emission rate from the tank shall not exceed 12.1 lb/day. [District Rule 2201]

6. This tank shall only store, place, or hold organic liquid with a true vapor pressure (TVP) of less than 6.5 psia under all storage conditions. [District Rule 2201]

7. 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 2201]

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
8. 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 2201]

9. The TVP of the organic liquid 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 the RVP to TVP at the maximum organic liquid storage temperature. [District Rule 2201]


11. Permittee shall comply with all applicable requirements of Rule 4409. [District Rule 4409]

12. The operator shall maintain a copy of the latest APCO-approved Operator Management Plan (OMP) at the facility and make it available to the APCO, ARB, and US EPA upon request. [District Rule 4409]

13. By January 30 of each year, the operator shall submit to the APCO for approval, in writing, an annual report indicating any changes to the existing, approved OMP. [District Rule 4409]

14. The permittee shall not emit more than one half of the major source threshold based on a rolling 12-month summary of actual emissions. [District Rule 2530]

15. The permittee shall maintain a record of the rolling 12-month summary of actual emissions from permitted operations. [District Rule 2530]

16. 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 Rules 2201 and 4623]

17. 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 Rules 2201, 2530 and 4623]

18. Permit to Operate S-2760-2 shall be cancelled upon implementation of this ATC. [District Rule 2201]
AUTHORITY TO CONSTRUCT

PERMIT NO: S-2760-19-0
LEGAL OWNER OR OPERATOR: TARGET DRILLING COMPANY
MAILING ADDRESS: PO BOX 20005
BAKERSFIELD, CA 93390
LOCATION: LIGHT OIL CENTRAL
CA
SECTION: SE24 TOWNSHIP: 30S RANGE: 25E
EQUIPMENT DESCRIPTION: 400 BBL FIXED ROOF CRUDE OIL WASH TANK WITH P/V VALVE (KCL 59 LEASE)

CONDITIONS

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

2. To maintain status as a small producer, permittee's crude oil production shall average less than 6000 bbl/day from all operations within Kern County and permittee shall not engage in refining, transporting, or marketing of refined petroleum products. [District Rule 1020]

3. Crude oil throughput shall not exceed 50 barrels per day based on a monthly average. [District Rules 2201 and 4623]

4. This tank shall be equipped with a pressure-vacuum (P/V) relief valve set to within 10% of the maximum allowable working pressure of the tank, permanently labeled with the operating pressure settings, properly maintained in good operating order in accordance with the manufacturer's instructions, and shall remain in leak-free condition except when the operating pressure exceeds the valve's set pressure. [District Rule 2201]

5. This tank shall only store, place, or hold organic liquid with a true vapor pressure (TVP) of less than 6.5 psia under all storage conditions. [District Rule 2201]

6. Tank shall only operate at constant level. [District Rule 2201]

7. 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 2201]

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 Sadretdin, Executive Director / APCO

David Warner, Director of Permit Services
Southern Regional Office • 34948 Flyover Court • Bakersfield, CA 93308 • (661) 392-5500 • Fax (661) 392-5555
8. The TVP testing shall be conducted at actual storage temperature of the organic liquid in the tank. The permittee shall also conduct API gravity testing. [District Rule 2201]

9. 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 tank's 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 Rule 2201]

10. 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 2201]


12. Permittee shall comply with all applicable requirements of Rule 4409. [District Rule 4409]

13. The operator shall maintain a copy of the latest APCO-approved Operator Management Plan (OMP) at the facility and make it available to the APCO, ARB, and US EPA upon request. [District Rule 4409]

14. By January 30 of each year, the operator shall submit to the APCO for approval, in writing, an annual report indicating any changes to the existing, approved OMP. [District Rule 4409]

15. The permittee shall not emit more than one half of the major source threshold based on a rolling 12-month summary of actual emissions. [District Rule 2530]

16. The permittee shall maintain a record of the rolling 12-month summary of actual emissions from permitted operations. [District Rule 2530]

17. 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 Rules 2201 and 4623]

18. 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 Rules 2201, 2530 and 4623]

19. Permit to Operate S-2760-11 shall be cancelled upon implementation of this ATC. [District Rule 2201]
AUTHORITY TO CONSTRUCT

PERMIT NO: S-2760-20-0

LEGAL OWNER OR OPERATOR: TARGET DRILLING COMPANY
MAILING ADDRESS: PO BOX 20005
BAKERSFIELD, CA 93390

LOCATION: LIGHT OIL CENTRAL
CA

SECTION: SE24 TOWNSHIP: 30S RANGE: 25E

EQUIPMENT DESCRIPTION:
300 BBL FIXED ROOF CRUDE OIL STORAGE TANK WITH P/V VALVE (KCL 59 LEASE)

CONDITIONS

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

2. To maintain status as a small producer, permittee's crude oil production shall average less than 6,000 bbl/day from all operations within Kern County and permittee shall not engage in refining, transporting, or marketing of refined petroleum products. [District Rule 1020]

3. Crude oil throughput shall not exceed 50 barrels per day based on a monthly average day. [District Rules 2201 and 4623]

4. This tank shall be equipped with a pressure-vacuum (P/V) relief valve set to within 10% of the maximum allowable working pressure of the tank, permanently labeled with the operating pressure settings, properly maintained in good operating order in accordance with the manufacturer's instructions, and shall remain in leak-free condition except when the operating pressure exceeds the valve's set pressure. [District Rule 2201]

5. VOC emission rate from the tank shall not exceed 13.8 lb/day. [District Rule 2201]

6. This tank shall only store, place, or hold organic liquid with a true vapor pressure (TVP) of less than 6.5 psia under all storage conditions. [District Rule 2201]

7. 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 2201]

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 canceled 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 Sadreian, Executive Director / APCO

DAVID WARNER, Director of Permit Services
Southern Regional Office • 34946 Flyover Court • Bakersfield, CA 93398 • (661) 392-5500 • Fax (661) 392-5585
8. 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 2201]

9. The TVP of the organic liquid 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 the RVP to TVP at the maximum organic liquid storage temperature. [District Rule 2201]


11. Permittee shall comply with all applicable requirements of Rule 4409. [District Rule 4409]

12. The operator shall maintain a copy of the latest APCO-approved Operator Management Plan (OMP) at the facility and make it available to the APCO, ARB, and US EPA upon request. [District Rule 4409]

13. By January 30 of each year, the operator shall submit to the APCO for approval, in writing, an annual report indicating any changes to the existing, approved OMP. [District Rule 4409]

14. The permittee shall not emit more than one half of the major source threshold based on a rolling 12-month summary of actual emissions. [District Rule 2530]

15. The permittee shall maintain a record of the rolling 12-month summary of actual emissions from permitted operations. [District Rule 2530]

16. 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 Rules 2201 and 4623]

17. 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 Rules 2201, 2530 and 4623]

18. Permit to Operate S-2760-12 shall be cancelled upon implementation of this ATC. [District Rule 2201]
AUTHORITY TO CONSTRUCT

PERMIT NO: S-2760-21-0

LEGAL OWNER OR OPERATOR: TARGET DRILLING COMPANY
MAILING ADDRESS: PO BOX 20005
BAKERSFIELD, CA 93390

LOCATION: LIGHT OIL CENTRAL
CA

SECTION: SE24 TOWNSHIP: 30S RANGE: 25E

EQUIPMENT DESCRIPTION:
300 BBL FIXED ROOF CRUDE OIL STORAGE TANK WITH PV VALVE (KCL 59 LEASE)

CONDITIONS

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

2. To maintain status as a small producer, permittee’s crude oil production shall average less than 6,000 bbl/day from all operations within Kern County and permittee shall not engage in refining, transporting, or marketing of refined petroleum products. [District Rule 1020]

3. Crude oil throughput shall not exceed 50 barrels per day based on a monthly average day. [District Rules 2201 and 4623]

4. This tank shall be equipped with a pressure-vacuum (PV) relief valve set to within 10% of the maximum allowable working pressure of the tank, permanently labeled with the operating pressure settings, properly maintained in good operating order in accordance with the manufacturer's instructions, and shall remain in leak-free condition except when the operating pressure exceeds the valve's set pressure. [District Rule 2201]

5. VOC emission rate from the tank shall not exceed 13.8 lb/day. [District Rule 2201]

6. This tank shall only store, place, or hold organic liquid with a true vapor pressure (TVP) of less than 6.5 psia under all storage conditions. [District Rule 2201]

7. 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 2201]

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 Sadredlin, 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
8. 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 2201]

9. The TVP of the organic liquid 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 the RVP to TVP at the maximum organic liquid storage temperature. [District Rule 2201]


11. Permittee shall comply with all applicable requirements of Rule 4409. [District Rule 4409]

12. The operator shall maintain a copy of the latest APCO-approved Operator Management Plan (OMP) at the facility and make it available to the APCO, ARB, and US EPA upon request. [District Rule 4409]

13. By January 30 of each year, the operator shall submit to the APCO for approval, in writing, an annual report indicating any changes to the existing, approved OMP. [District Rule 4409]

14. The permittee shall not emit more than one half of the major source threshold based on a rolling 12-month summary of actual emissions. [District Rule 2530]

15. The permittee shall maintain a record of the rolling 12-month summary of actual emissions from permitted operations. [District Rule 2530]

16. 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 Rules 2201 and 4623]

17. 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 Rules 2201, 2530 and 4623]

18. Permit to Operate S-2760-13 shall be cancelled upon implementation of this ATC. [District Rule 2201]
AUTHORITY TO CONSTRUCT

PERMIT NO: S-2760-22-0

LEGAL OWNER OR OPERATOR: TARGET DRILLING COMPANY

MAILING ADDRESS: PO BOX 20005

BAKERSFIELD, CA 93390

LOCATION: LIGHT OIL CENTRAL

CA

SECTION: SE24  TOWNSHIP: 30S  RANGE: 25E

EQUIPMENT DESCRIPTION:

300 BBL FIXED ROOF CRUDE OIL STORAGE TANK WITH P/V VALVE (KCL 59 LEASE) (REPLACEMENT FOR TANK - 14)

CONDITIONS

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

2. To maintain status as a small producer, permittee's crude oil production shall average less than 6,000 bbl/day from all operations within Kern County and permittee shall not engage in refining, transporting, or marketing of refined petroleum products. [District Rule 1020]

3. Crude oil throughput shall not exceed 50 barrels per day based on a monthly average day. [District Rules 2201 and 4623]

4. This tank shall be equipped with a pressure-vacuum (PV) relief valve set to within 10% of the maximum allowable working pressure of the tank, permanently labeled with the operating pressure settings, properly maintained in good operating order in accordance with the manufacturer's instructions, and shall remain in leak-free condition except when the operating pressure exceeds the valve's set pressure. [District Rule 2201]

5. VOC emission rate from the tank shall not exceed 13.8 lb/day. [District Rule 2201]

6. This tank shall only store, place, or hold organic liquid with a true vapor pressure (TVP) of less than 6.5 psia under all storage conditions. [District Rule 2201]

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
Southern Regional Office • 34946 Flyover Court • Bakersfield, CA 93308 • (661) 392-5500 • Fax (661) 392-5585
7. 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 2201]

8. 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 2201]

9. The TVP of the organic liquid 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 the RVP to TVP at the maximum organic liquid storage temperature. [District Rule 2201]


11. Permittee shall comply with all applicable requirements of Rule 4409. [District Rule 4409]

12. The operator shall maintain a copy of the latest APCO-approved Operator Management Plan (OMP) at the facility and make it available to the APCO, ARB, and US EPA upon request. [District Rule 4409]

13. By January 30 of each year, the operator shall submit to the APCO for approval, in writing, an annual report indicating any changes to the existing, approved OMP. [District Rule 4409]

14. The permittee shall not emit more than one half of the major source threshold based on a rolling 12-month summary of actual emissions. [District Rule 2530]

15. The permittee shall maintain a record of the rolling 12-month summary of actual emissions from permitted operations. [District Rule 2530]

16. 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 Rules 2201 and 4623]

17. 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 Rules 2201, 2530 and 4623]

18. Permit to Operate S-2760-14 shall be cancelled upon implementation of this ATC. [District Rule 2201]
AUTHORITY TO CONSTRUCT

PERMIT NO: S-2760-23-0

LEGAL OWNER OR OPERATOR: TARGET DRILLING COMPANY
MAILING ADDRESS: PO BOX 20005
BAKERSFIELD, CA 93390

LOCATION: LIGHT OIL CENTRAL
CA

SECTION: NW1 TOWNSHIP: 30S RANGE: 25E

EQUIPMENT DESCRIPTION: 300 BBL FIXED ROOF CRUDE OIL STORAGE TANK WITH P/V VALVE (STRAND LEASE)

CONDITIONS

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

2. To maintain status as a small producer, permittee's crude oil production shall average less than 6,000 bbl/day from all operations within Kern County and permittee shall not engage in refining, transporting, or marketing of refined petroleum products. [District Rule 1020]

3. Crude oil throughput shall not exceed 50 barrels per day based on a monthly average day. [District Rules 2201 and 4623]

4. This tank shall be equipped with a pressure-vacuum (PV) relief valve set to within 10% of the maximum allowable working pressure of the tank, permanently labeled with the operating pressure settings, properly maintained in good operating order in accordance with the manufacturer's instructions, and shall remain in leak-free condition except when the operating pressure exceeds the valve's set pressure. [District Rule 2201]

5. VOC emission rate from the tank shall not exceed 13.8 lb/day. [District Rule 2201]

6. This tank shall only store, place, or hold organic liquid with a true vapor pressure (TVP) of less than 6.5 psia under all storage conditions. [District Rule 2201]

7. 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 2201]

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
8. 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 2201]

9. The TVP of the organic liquid 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 the RVP to TVP at the maximum organic liquid storage temperature. [District Rule 2201]


11. Permittee shall comply with all applicable requirements of Rule 4409. [District Rule 4409]

12. The operator shall maintain a copy of the latest APCO-approved Operator Management Plan (OMP) at the facility and make it available to the APCO, ARB, and US EPA upon request. [District Rule 4409]

13. By January 30 of each year, the operator shall submit to the APCO for approval, in writing, an annual report indicating any changes to the existing, approved OMP. [District Rule 4409]

14. The permittee shall not emit more than one half of the major source threshold based on a rolling 12-month summary of actual emissions. [District Rule 2530]

15. The permittee shall maintain a record of the rolling 12-month summary of actual emissions from permitted operations. [District Rule 2530]

16. 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 Rules 2201 and 4623]

17. 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 Rules 2201, 2530 and 4623]
AUTHORITY TO CONSTRUCT

PERMIT NO: S-2760-24-0
ISSUANCE DATE: 08/01/2012

LEGAL OWNER OR OPERATOR: TARGET DRILLING COMPANY
MAILING ADDRESS: PO BOX 20005
BAKERSFIELD, CA 93390

LOCATION: LIGHT OIL CENTRAL
CA

SECTION: NW1 TOWNSHIP: 30S RANGE: 25E

EQUIPMENT DESCRIPTION:
400 BBL FIXED ROOF CRUDE OIL WASH TANK WITH P/V VALVE (STRAND LEASE)

CONDITIONS

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

2. To maintain status as a small producer, permittee's crude oil production shall average less than 6000 bbl/day from all operations within Kern County and permittee shall not engage in refining, transporting, or marketing of refined petroleum products. [District Rule 1020]

3. Crude oil throughput shall not exceed 50 barrels per day based on a monthly average. [District Rules 2201 and 4623]

4. This tank shall be equipped with a pressure-vacuum (PV) relief valve set to within 10% of the maximum allowable working pressure of the tank, permanently labeled with the operating pressure settings, properly maintained in good operating order in accordance with the manufacturer's instructions, and shall remain in leak-free condition except when the operating pressure exceeds the valve's set pressure. [District Rule 2201]

5. This tank shall only store, place, or hold organic liquid with a true vapor pressure (TVP) of less than 6.5 psia under all storage conditions. [District Rule 2201]

6. VOC emission rate from the tank shall not exceed 6.2 lb/day. [District Rule]

7. Tank shall only operate at constant level. [District Rule 2201]

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
8. 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 2201]

9. The TVP testing shall be conducted at actual storage temperature of the organic liquid in the tank. The permittee shall also conduct API gravity testing. [District Rule 2201]

10. 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 so may be determined by using other equivalent test methods approved by APCO, ARB, and US EPA. [District Rule 2201]

11. 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 2201]


13. Permittee shall comply with all applicable requirements of Rule 4409. [District Rule 4409]

14. The operator shall maintain a copy of the latest APCO-approved Operator Management Plan (OMP) at the facility and make it available to the APCO, ARB, and US EPA upon request. [District Rule 4409]

15. By January 30 of each year, the operator shall submit to the APCO for approval, in writing, an annual report indicating any changes to the existing, approved OMP. [District Rule 4409]

16. The permittee shall not emit more than half of the major source threshold based on a rolling 12-month summary of actual emissions. [District Rule 2530]

17. The permittee shall maintain a record of the rolling 12-month summary of actual emissions from permitted operations. [District Rule 2530]

18. 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 Rules 2201 and 4623]

19. 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 Rules 2201, 2530 and 4623]