NOV 24 2014

Shams Hassan
E&B Natural Resources
3000 James Road
Bakersfield, CA 93308

RE: Notice of Final Action - Authority to Construct
Facility Number: S-1807
Project Number: S-1143485

Dear Mr. Hassan:

The Air Pollution Control Officer has issued the Authority to Construct permits to E&B Natural Resources for tank modifications, at Western Kern County. Enclosed are 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 the Authority to Construct permits was published on October 9, 2014. The District's analysis of the proposal was also sent to CARB and US EPA Region IX on October 6, 2014. 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,

Arnaud Marjollet
Director of Permit Services

AM:RUE/st

Enclosures

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

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

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

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

www.valleyair.org www.healthyairliving.com
AUTHORITY TO CONSTRUCT (ATC)

QUICK START GUIDE

1. **Pay Invoice.** Please pay enclosed invoice before due date.

2. **Fully Understand ATC.** Make sure you understand ALL conditions in the ATC prior to construction, modification and/or operation.

3. **Follow ATC.** You must construct, modify and/or operate your equipment as specified on the ATC. Any unspecified changes may require a new ATC.

4. **Notify District.** You must notify the District’s Compliance Department, at the telephone numbers below, upon start-up and/or operation under the ATC. Please record the date construction or modification commenced and the date the equipment began operation under the ATC. You may NOT operate your equipment until you have notified the District’s Compliance Department.

5. **Source Test.** Schedule and perform any required source testing. See [http://www.valleyair.org/business/comply/sourcetesting.htm](http://www.valleyair.org/business/comply/sourcetesting.htm) for source testing resources.

6. **Maintain Records.** Maintain all records required by ATC. Records are reviewed during every inspection (or upon request) and must be retained for 5 years.

By operating in compliance, you are doing your part to improve air quality for all Valley residents.

*For assistance, please contact District Compliance staff at any of the telephone numbers listed below.*

Seyed Sadredin
Executive Director/Air Pollution Control Officer

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Northern Region
4800 Enterprise Way
Modesto, CA 95356-8718
Tel: (209) 557-6430 FAX: (209) 557-8475

Central Region (Main Office)
1390 E. Gettysburg Avenue
Fresno, CA 93726-0244
Tel: (559) 230-6030 FAX: (559) 230-6081

Southern Region
34946 Flyover Court
Bakersfield, CA 93308-8725
Tel: 661-392-5500 FAX: 661-392-5585

www.valleyair.org www.healthyairliving.com
AUTHORITY TO CONSTRUCT

PERMIT NO: S-1807-25-2

LEGAL OWNER OR OPERATOR: E&B NATURAL RESOURCES MGMT CORP
ATT: SHAMS HASAN
1600 NORRIS ROAD
BAKERSFIELD, CA 93308

MAILING ADDRESS:

LOCATION: HEAVY OIL WESTERN STATIONARY SOURCE
CA

SECTION: NE30 TOWNSHIP: 26S RANGE: 19E

EQUIPMENT DESCRIPTION:
MODIFICATION TO 1,000 BBL FIXED ROOF CRUDE OIL SHIPPING/STOCK TANK WITH P/V VENT (BCU - BLACKWELLS CORNER FIELD) – TK #8001 WITH P/V VENT: CHANGE SERVICE FROM SHIPPING TANK TO WASH TANK (CONSTANT LEVEL OPERATION), ADD P/V VENT TO EQUIPMENT DESCRIPTION

CONDITIONS

1. Facilities S-1807 and S-6826 are part of the same stationary source. [District Rule 2201]

2. 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, 6.1]

3. The permittee shall maintain a record of the rolling 12-month summary of actual emissions from permitted operations. This record shall be kept on site and made available to the District upon request. [District Rule 2530, 6.1]

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

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

6. Crude oil throughput shall not exceed 1000 barrels per day based on a monthly average. [District Rule 2201]

7. This tank shall only store, place, or hold organic liquid with a true vapor pressure (TVP) of less than 0.5 psia under all storage conditions. [District Rules 2201 and 4623]

8. VOC emission rate from the tank shall not exceed 19.8 lb/day. [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

Armand Mangiello, Director of Permit Services

Southern Regional Office • 34946 Flyover Court • Bakersfield, CA 93308 • (661) 392-5500 • Fax (661) 392-5585
9. Permittee shall conduct true vapor pressure (TVP) testing of the organic liquid stored in this tank within 60 days of startup and 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 Rules 2201 and 4623]

10. 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 4623]

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 4623]


13. Permittee shall maintain records of TVP and API gravity 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 Rule 4623]

14. 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]

15. 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 and 4623]
AUTHORITY TO CONSTRUCT

PERMIT NO: S-1807-71-0
ISUANCE DATE: 11/18/2014

LEGAL OWNER OR OPERATOR: E&B NATURAL RESOURCES MGMT CORP
ATT: SHAMS HASAN
1600 NORRIS ROAD
BAKERSFIELD, CA 93308

MAILING ADDRESS: AU: SHAMS HASAN

LOCATION: HEAVY OIL WESTERN STATIONARY SOURCE
CA

SECTION: NE 30 TOWNSHIP: 26S RANGE: 19E

EQUIPMENT DESCRIPTION:
500 BBL FIXED ROOF CRUDE OIL SHIPPING/STOCK TANK WITH PV VENT (BCU - BLACKWELLS CORNER FIELD)

CONDITIONS

1. Facilities S-1807 and S-6826 are part of the same stationary source. [District Rule 2201]

2. ATC shall be implemented concurrently with or subsequent to ATC S-1807-25-2. [District Rule 2201]

3. 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, 6.1]

4. The permittee shall maintain a record of the rolling 12-month summary of actual emissions from permitted operations. This record shall be kept on site and made available to the District upon request. [District Rule 2530, 6.1]

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

6. Crude oil throughput shall not exceed 150 barrels per day based on a monthly average. [District Rule 2201]

7. This tank shall only store, place, or hold organic liquid with a true vapor pressure (TVP) of less than 0.5 psia under all storage conditions. [District Rules 2201 and 4623]

8. VOC emission rate from the tank shall not exceed 8.4 lb/day. [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

[Signature]

Sayed Marjollet, Director of Permit Services
9. Permittee shall conduct true vapor pressure (TVP) testing of the organic liquid stored in this tank within 60 days of startup and 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 Rules 2201 and 4623]

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14. 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]

15. 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 and 4623]