Dec 03 2014

Gregory Pritchett
Chevron USA Inc
PO Box 1392
Bakersfield, CA 93302

RE: Notice of Final Action - Authority to Construct
Facility Number: S-8530
Project Number: S-1143652

Dear Mr. Pritchett:

The Air Pollution Control Officer has issued the Authority to Construct permits to Chevron USA Inc for 3 IC engines, in 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 29, 2014. The District's analysis of the proposal was also sent to CARB on October 24, 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,

[Signature]

Arnaud Marjollet
Director of Permit Services

AM:RE/st

Enclosures

cc: Mike Tollstrup, CARB (w/enclosure) via email
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/busind/comply/source_testing.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 Sedredin
Executive Director/Air Pollution Control Officer

Northern Region
4800 Enterprise Way
Modesto, CA 95356-8719
Tel: (209) 557-6400 FAX: (209) 557-8476

Central Region (Main Office)
1960 E. Gettysburg Avenue
Fresno, CA 93726-0244
Tel: (559) 230-6000 FAX: (559) 230-6081

Southern Region
34948 Flyover Court
Bakersfield, CA 93308-9725
Tel: 661-392-5500 FAX: 881-392-5585

www.valleyair.org www.healthyairliving.com
San Joaquin Valley Air Pollution Control District

RETURN THIS TOP PORTION ONLY, WITH REMITTANCE TO:

CHEVRON USA, INC. (CUSA)  
P.O. BOX 1392  
BAKERSFIELD, CA 93302

SJVAPCD  
34946 Flyover Court  
Bakersfield, CA 93308

Thank You!

San Joaquin Valley Air Pollution Control District

SJVAPCD Tax ID: 77-0262563

CHEVRON USA, INC. (CUSA)  
DRILLING FLUIDS MANAGEMENT FACILITY  
NW SEC1 T30S R22E  
CYMRIC OILFIELD, CA

PROJECT NUMBER: 1143652

APPLICATION FILING FEES  
ENGINEERING TIME FEES  
TOTAL FEES  
LESS PREVIOUSLY PAID PROJECT FEES APPLIED TO THIS INVOICE  
PROJECT FEES DUE (Enclosed is a detailed statement outlining the fees for each item.)

<table>
<thead>
<tr>
<th>Facility ID</th>
<th>Invoice Date</th>
<th>Invoice Number</th>
<th>Invoice Type</th>
</tr>
</thead>
<tbody>
<tr>
<td>S8530</td>
<td>12/2/2014</td>
<td>S118636</td>
<td>Project: S1143652</td>
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Late Payment (see Rule 30:10, Section 11.0 Late Fees)

<table>
<thead>
<tr>
<th>Postmarked</th>
<th>Total Due</th>
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</thead>
<tbody>
<tr>
<td>After 2/2/2015 through 2/12/2015</td>
<td>$1,266.10</td>
</tr>
<tr>
<td>After 2/12/2015</td>
<td>$1,726.50</td>
</tr>
<tr>
<td>After 3/4/2015</td>
<td>Permits To Operate MAY BE SUSPENDED</td>
</tr>
</tbody>
</table>

San Joaquin Valley Air Pollution Control District  
34946 Flyover Court, Bakersfield, CA 93308, (661) 392-5500, Fax (661) 392-5585
Facility ID: S8530

CHEVRONUSA, INC. (CUSA)
DRILLING FLUIDS MANAGEMENT FACILITY
NW SEC1 T30S R22E
CYMRIC OILFIELD, CA

### Application Filing Fees

<table>
<thead>
<tr>
<th>Project Nbr.</th>
<th>Permit/Number</th>
<th>Description</th>
<th>Application Fee</th>
</tr>
</thead>
<tbody>
<tr>
<td>S1143652</td>
<td>S-8530-1-0</td>
<td>157 BHP CUMMINS MODEL QSB5-G9 INTERIM TIER IV CERTIFIED DIESEL-FIRED IC ENGINE POWERING AN ELECTRICAL GENERATOR</td>
<td>$71.00</td>
</tr>
<tr>
<td>S1143652</td>
<td>S-8530-2-0</td>
<td>157 BHP CUMMINS MODEL QSB5-G9 INTERIM TIER IV CERTIFIED DIESEL-FIRED IC ENGINE POWERING AN ELECTRICAL GENERATOR</td>
<td>$71.00</td>
</tr>
<tr>
<td>S1143652</td>
<td>S-8530-3-0</td>
<td>256 BHP CUMMINS MODEL QSB7-G7 INTERIM TIER IV CERTIFIED DIESEL-FIRED IC ENGINE POWERING AN ELECTRICAL GENERATOR</td>
<td>$71.00</td>
</tr>
</tbody>
</table>

Total Application Filing Fees: $213.00

### Engineering Time Fees

<table>
<thead>
<tr>
<th>Project Nbr.</th>
<th>Quantity</th>
<th>Rate</th>
<th>Description</th>
<th>Fee</th>
</tr>
</thead>
<tbody>
<tr>
<td>S1143652</td>
<td>6 hours</td>
<td>$139.00/h</td>
<td>After-Hours Engineering Time(OverTime)</td>
<td>$834.00</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Less Credit For Application Filing Fees</td>
<td>($213.00)</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>After-Hours Engineering Time(OverTime) SubTotal</td>
<td>$621.00</td>
</tr>
<tr>
<td>S1143652</td>
<td>5 hours</td>
<td>$106.00/h</td>
<td>Standard Engineering Time</td>
<td>$530.00</td>
</tr>
</tbody>
</table>

Total Engineering Time Fees: $1,151.00
AUTHORITY TO CONSTRUCT

PERMIT NO: S-8530-1-0

LEGAL OWNER OR OPERATOR: CHEVRON USA, INC. (CSUA)
MAILING ADDRESS: P.O. BOX 1382
BAKERSFIELD, CA 93302

LOCATION: DRILLING FLUIDS MANAGEMENT FACILITY
NW SEC1 T3OS R22E
CYMRIC OILFIELD, CA

SECTION: 1 TOWNSHIP: 30S RANGE: 21E

EQUIPMENT DESCRIPTION: 157 BHP CUMMINS MODEL QSB5-G9 INTERIM TIER IV CERTIFIED DIESEL-FIRED IC ENGINE POWERING AN ELECTRICAL GENERATOR

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. Operation of IC engine shall not exceed 7600 hr/yr. [District Rule 2201]
5. This nonroad transportable engine shall not be operated at one location for more than 12 consecutive months and shall meet all the requirements of a nonroad transportable engine, per CFR Title 40 Part 89. [CCR, Title 17 and District Rule 4701]
6. This engine shall be equipped with an operational non-resettable elapsed time meter or other APCO-approved alternative. [District Rules 2201 and 4702]
7. Permittee shall properly operate and maintain engine and monitor the operational characteristics of the engine as recommended by the engine manufacturer. [District Rule 4702]
8. Emission rates from this unit shall not exceed any of the following limits: NOx (as NO2) 2.5 g/hp-hr; VOC (as methane) 0.14 g/hp-hr; CO 3.7 g/hp-hr; or SOx (as SO2) 0.0051 g/hp-hr. [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
9. The PM10 emissions rate from the engine shall not exceed 0.01 g/hp-hr based on US EPA certification using ISO 8178 test procedure. [District Rules 2201 and 4102]

10. Only CARB certified diesel fuel containing not more than 0.0015% sulfur by weight is to be used. [District Rules 2201 and 4801]

11. The operator shall maintain records of the cumulative hours of operation. These records shall be updated at least monthly. [District Rules 2201 and 4702]

12. All records shall be maintained and retained on-site for a period of at least 5 years and shall be made available for District inspection upon request. [District Rule 1070]
AUTHORITY TO CONSTRUCT

PERMIT NO: S-8530-2-0 
ISSUANCE DATE: 12/02/2014

LEGAL OWNER OR OPERATOR: CHEVRON USA, INC. (CUSA)
MAILING ADDRESS: P.O. BOX 1392
BAKERSFIELD, CA 93302

LOCATION: DRILLING FLUIDS MANAGEMENT FACILITY
NW SEC1 T30S R22E
CYMRIC OILFIELD, CA

SECTION: 1 TOWNSHIP: 30S RANGE: 21E

EQUIPMENT DESCRIPTION: 157 BHP CUMMINS MODEL QS5-G9 INTERIM TIER IV CERTIFIED DIESEL-FIRED IC ENGINE POWERING AN ELECTRICAL GENERATOR

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]

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Seyed Sadredin, Executive Director / APCO

Audra Marjollet, Director of Permit Services

Southern Regional Office • 34946 Flyover Court • Bakersfield, CA 93308 • (661) 392-5500 • Fax (661) 392-5585
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11. The operator shall maintain records of the cumulative hours of operation. These records shall be updated at least monthly. [District Rules 2201 and 4702]

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LEGAL OWNER OR OPERATOR:  CHEVRON USA, INC. (CUSA)
MAILING ADDRESS:  P.O. BOX 1392
                  BAKERSFIELD, CA 93302

LOCATION:  DRILLING FLUIDS MANAGEMENT FACILITY
            NW SEC1 T30S R22E
            CYMRIC OILFIELD, CA

SECTION:  1  TOWNSHIP:  30S  RANGE:  21E

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