

OCT 1 3 2009

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

Re: Final - Authority to Construct / COC (Significant Mod) District Facility # S-1738 Project # S-1091811

Dear Mr. Rios:

The Air Pollution Control Officer has issued an Authority to Construct (S-1738-335-3) with a Certificate of Conformity to Vintage Production California located at Section 24, Township 11N, Range 20W. The ATC is for removing the true vapor pressure (TVP) testing requirements and calculating fugitive emissions using CAPCOA screening value emissions factors for a crude oil loading rack.

Enclosed is a copy of the Authority to Construct. The application and proposal were sent to US EPA Region IX on August 31, 2009. No comments were received following the District's preliminary decision on this project.

The notice of final decision for this project will be published approximately three days from the date of this letter.

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:SDD/ls

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

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HEALTHY AIR LIVING

OCT 1 3 2009

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

Re: Final - Authority to Construct / COC (Significant Mod) District Facility # S-1738 Project # S-1091811

Dear Mr. Tollstrup:

The Air Pollution Control Officer has issued an Authority to Construct (S-1738-335-3) with a Certificate of Conformity to Vintage Production California located at Section 24, Township 11N, Range 20W. The ATC is for removing the true vapor pressure (TVP) testing requirements and calculating fugitive emissions using CAPCOA screening value emissions factors for a crude oil loading rack.

Enclosed is a copy of the Authority to Construct. The application and proposal were sent to US EPA Region IX on August 31, 2009. No comments were received following the District's preliminary decision on this project.

The notice of final decision for this project will be published approximately three days from the date of this letter.

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

David Warner Director of Permit Services

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OCT 1 3 2009

Mr. Joey Barulich Vintage Production California 9600 Ming Ave. Suite 300 Bakersfield, CA 93311

Re: Final - Authority to Construct / COC (Significant Mod) District Facility # S-1738 Project # S-1091811

Dear Mr. Barulich:

The Air Pollution Control Officer has issued an Authority to Construct (S-1738-335-3) with a Certificate of Conformity to Vintage Production California located at Section 24, Township 11N, Range 20W. The ATC is for removing the true vapor pressure (TVP) testing requirements and calculating fugitive emissions using CAPCOA screening value emissions factors for a crude oil loading rack.

Enclosed is a copy of Authority to Construct. The application and proposal were sent to US EPA Region IX on August 31, 2009. No comments were received following the District's preliminary decision on this project.

The notice of final decision for this project will be published approximately three days from the date of this letter.

Prior to operating with modifications authorized by the Authority to Construct, you must submit an application to modify the Title V permit as an administrative amendment in accordance with District Rule 2520, Section 11.5.

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:SDD/ls

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Bakersfield Californian

NOTICE OF FINAL DECISION FOR THE ISSUANCE OF AUTHORITY TO CONSTRUCT

NOTICE IS HEREBY GIVEN that the San Joaquin Valley Air Pollution Control District has made its final decision to issue an Authority to Construct to Vintage Production California for light oil facility located at Section 24, Township 11N, Range 20W. The ATC is for removing the true vapor pressure (TVP) testing requirements and calculating fugitive emissions using CAPCOA screening value emissions factors for a crude oil loading rack.

The District's analysis of the legal and factual basis for this proposed action, project #S-1091811, is available for public inspection at the District office at the address below. For additional information regarding this matter, please contact Mr. Leonard Scandura, Permit Services Manager, at (661) 392-5500, or contact David Warner, Director of Permit Services, in writing at SAN JOAQUIN VALLEY AIR POLLUTION CONTROL DISTRICT, 1990 E. GETTYSBURG AVE, FRESNO, CA 93726-0244.



ISSUANCE DATE: 10/06/2009

AUTHORITY TO CONSTRUCT

PERMIT NO: S-1738-335-3

MAILING ADDRESS:

LEGAL OWNER OR OPERATOR: VINTAGE PRODUCTION CALIFORNIA LLC 9600 MING AVE, SUITE 300 BAKERSFIELD, CA 93311

LOCATION:

LIGHT OIL WESTERN STATIONARY SOURCE WESTERN KERN COUNTY KERN COUNTY, CA

SECTION: 24 TOWNSHIP: 11N RANGE: 20W

EQUIPMENT DESCRIPTION:

MODIFICATION OF CLASS 1 ORGANIC LIQUID (CRUDE OIL) LOADING RACK WITH ONE BOTTOM LOADING DRY-BREAK COUPLER FILL HOSE AND VAPOR COLLECTION HOSE SERVED BY VAPOR CONTROL SYSTEM LISTED ON S-1738-38 (WHEELER RIDGE): REPLACE TRUE VAPOR PRESSURE TESTING REQUIREMENTS AND CALCULATE FUGITIVE EMISSIONS UTILIZING CAPCOA SCREENING VALUES

CONDITIONS

- This Authority to Construct serves as a written certificate of conformity with the procedural requirements of 40 CFR 1. 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
- Prior to operating with modifications authorized by this Authority to Construct, the facility shall submit an application 2. 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
- All vapors displaced from trucks during load-out operations shall be collected in the vapor control system serving 3. tanks under Permits to Operate S-1738-38, '-47 and '-48. [District NSR Rule and 4624] Federally Enforceable Through Title V Permit
- 4. Loading and vapor collection equipment shall be maintained and operated such that there are no leaks (as defined in District Rule 4624) and no excess organic liquid drainage (as defined in District Rule 4624) at disconnections. [District Rule 4624 and Kern County 413] Federally Enforceable Through Title V Permit

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

WARNER, Director of Permit Services

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

Conditions for S-1738-335-3 (continued)

- 5. Vapor return hose(s) shall be attached whenever loading equipment operates. [District NSR Rule] Federally Enforceable Through Title V Permit
- 6. All trucks loaded shall be inspected and determined to be vapor-tight such that all vapors are displaced into vapor return hoses during loading. [District NSR Rule] Federally Enforceable Through Title V Permit
- 7. Pressure in delivery truck being loaded shall not exceed 18 inches water column pressure and 6 inches water pressure vacuum. [District Rule 4624]
- 8. Total liquid loaded shall not exceed 1,000 bbl (42,000 gallons) per day. [District NSR Rule] Federally Enforceable Through Title V Permit
- 9. Drainage emissions of volatile organic compounds (VOC) shall not exceed 0.03 lb per 1000 gallons of liquid loaded. [District NSR Rule]
- 10. Fugitive VOC emissions from components associated with the loading operation shall not exceed 0.1 lb/day. [District NSR Rule]
- 11. In accordance with the approved OMP, the operator shall meet all applicable operating, inspection and re-inspection, maintenance, process pressure relief device (PRD), component identification, recordkeeping and notification requirements of Rule 4409 for all components containing or contacting VOC at the this gas liquids processing facility, except for those components specifically exempted in Sections 4.1 and 4.2. [District Rule 4409]
- 12. No delivery vessel shall be used or operated unless it is vapor tight. No delivery vessel shall be operated or loaded unless valid State of California decals are displayed on the cargo tank, attesting to the vapor integrity of the tank as verified by annual performance of CARB required Certification and Test Procedures for Vapor Recovery Systems for Cargo Tanks. [District Rule 2520, 9.3.2] Federally Enforceable Through Title V Permit
- 13. Loading and vapor collection equipment shall be designed, installed, maintained and operated such that there are no leaks or excess organic liquid drainage at disconnections. A leak shall be defined as the dripping of organic compounds at a rate of more than three drops per minute or the detection of organic compounds, in excess of 10,000 ppm as methane measured at a distance of one centimeter from the potential source in accordance with EPA Method 21. Excess liquid drainage shall be defined as exceeding 10 mls for bottom loading or 2 mls for top loading, per average of 3 consecutive disconnects. [District Rule 2520, 9.3.2] Federally Enforceable Through Title V Permit
- 14. During the loading of delivery vehicles, operator shall perform and record the results of quarterly leak inspections of the loading and vapor collection equipment at each loading arm. If none of the components are found to be leaking during five consecutive quarterly inspections, the leak inspection frequency may be changed from quarterly to semiannual. However, if one or more of the components are found to leak during a semiannual inspection, the inspection frequency shall change back to quarterly. Leak inspections shall be conducted using sight, sound, smell and instrument methods to detect leaks. Instrument detection shall be measured at a distance of one centimeter from the potential source. [District Rule 2520, 9.3.2] Federally Enforceable Through Title V Permit
- 15. Corrective steps shall be taken at any time the operator observes excess drainage at disconnect. In addition, the operator shall perform and record the results of quarterly drainage inspections at disconnect for each loading arm. If no excess drainage is found during five consecutive quarterly inspections, the drainage inspection frequency may be changed from quarterly to annual. However, if one or more excess drainage condition is found during an annual inspection, the inspection frequency shall change back to quarterly. [District Rule 2520, 9.3.2] Federally Enforceable Through Title V Permit
- 16. Compliance with drainage emissions limit (lb/1000 gallons) and excess drainage requirement (ml/disconnect) shall be demonstrated by collecting all drainage at disconnect in a spouted container. The drainage shall be transferred to a graduated cylinder and the volume determined within one (1) minute of collection. [District Rule 2520, 9.3.2]
- 17. The permittee shall maintain an inspection log containing at least the following: A) dates of leak and drainage inspections, B) leak determination method, C) findings, D) corrective action (including date each leak or excess drainage condition repaired), and E) inspector name and signature. [District Rule 2520, 9.3.2] Federally Enforceable Through Title V Permit
- 18. Permittee shall maintain accurate records of daily throughput of crude oil loaded. [District Rule 4624 and 2520, 9.3.2]

Conditions for S-1738-335-3 (continued)

- Permittee shall maintain an accurate component count for liquid loadout and resultant emissions calculated using emissions factors from CAPCOA's "California Implementation Guidelines for Estimating Mass Emissions of Fugitive Hydrocarbon Leaks at Petroleum Facilities," Table IV-2c (Feb 1999), Screening Value Range emission factors < 10,000 ppmv. Permittee shall update such records when new components are approved and installed. [District NSR Rule]
- 20. The operator shall keep a copy of the APCO-approved Operator Management Plan (OMP) at the facility and make it available to the APCO, ARB and US EPA upon request. 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]
- 21. All records required by Rule 4409 shall be retained for a minimum period of 5 years and shall be made available to the APCO, ARB and US EPA upon request. [District Rule 4409]