

JUN 29 2011

Paul Combs  
Crimson Resource Management  
5001 California Avenue, #206  
Bakersfield, CA 93309

**RE: Notice of Final Action - Authority to Construct**  
**Project Number: S-1104982**

Dear Mr. Combs:

The Air Pollution Control Officer has issued Authority to Construct permits to Crimson Resource Management for the connection of two oil tanks to a tank vapor control system and the installation of a flare, at Crimson Resource Management's Rosedale Ranch production facility near 7<sup>th</sup> Standard Road and Zerker Road in Kern County.

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 May 13, 2011. The District's analysis of the proposal was also sent to CARB on May 10, 2011. 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,



David Warner  
Director of Permit Services

DW:SAR/dg

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



JUN 29 2011

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-1104982**

Dear Mr. Tollstrup:

The Air Pollution Control Officer has issued Authority to Construct permits to Crimson Resource Management for the connection of two oil tanks to a tank vapor control system and the installation of a flare, at Crimson Resource Management's Rosedale Ranch production facility near 7th Standard Road and Zerker Road in Kern County.

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 May 13, 2011. The District's analysis of the proposal was also sent to CARB on May 10, 2011. 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,

David Warner  
Director of Permit Services

DW:SAR/dg

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

Bakersfield Californian

**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 Crimson Resource Management for the connection of two oil tanks to a tank vapor control system and the installation of a flare, at Crimson Resource Management's Rosedale Ranch production facility near 7th Standard Road and Zerker Road in Kern County.

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

The application review for Project #S-1104982 is available for public inspection at [http://www.valleyair.org/notices/public\\_notices\\_idx.htm](http://www.valleyair.org/notices/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-3157-7-1

ISSUANCE DATE: 06/22/2011

**LEGAL OWNER OR OPERATOR:** CRIMSON RESOURCE MANAGEMENT  
**MAILING ADDRESS:** ENVIRONMENTAL H & S ENGINEER  
5001 CALIFORNIA AVENUE, SUITE 206  
BAKERSFIELD, CA 93309

**LOCATION:** HEAVY OIL CENTRAL  
CA

**SECTION:** NW01 **TOWNSHIP:** 29S **RANGE:** 26E

**EQUIPMENT DESCRIPTION:**

MODIFICATION OF ONE 84,000 GALLON FIXED ROOF CRUDE OIL WASH TANK, #3320 (ROSEDALE RANCH):  
CONNECT TO THE TANK VAPOR CONTROL SYSTEM LISTED ON S-3157-25

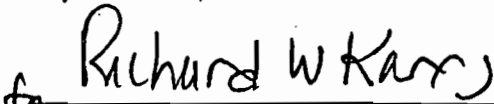
### CONDITIONS

1. To maintain status as 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 Rules 4623 and 3020]
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. No air contaminant shall be released into the atmosphere which causes a public nuisance. [District Rule 4102]
4. This tank shall be connected to the tank vapor control system listed on tank permit S-3157-25. [District Rules 2201 and 4623]
5. This tank shall be equipped with a vapor recovery system consisting of a closed vent system that collects all VOCs from the storage tank, and a VOC control device. The vapor recovery system shall be APCO-approved and maintained in leak-free condition. The VOC control device shall be either of the following: a vapor return or condensation system that connects to a gas pipeline distribution system, or an approved VOC destruction device the reduces the inlet VOC emissions by at least 99% by weight as determined by the test method specified in Section 6.4.7. [District Rule 4623]

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

S-3157-7-1: Jun 22 2011 9:15AM - ROEDERS : Joint Inspection NOT Required

6. The Permittee shall maintain with the permit accurate fugitive component counts, and the resulting emissions from the tank, using "California Implementation Guidelines for Estimating Mass Emissions of Fugitive Hydrocarbon Leaks at Petroleum Facilities", Table IV-2c, "Oil and Gas Production Screening Value Ranges (< 10,000 ppmv) Emission Factors". [District Rule 2201]
7. VOC emission rate from vapor service components associated with this tank shall not exceed 0.3 lb/day. [District Rule 2201]
8. This tank shall be fully enclosed and maintained in a leak-free condition. [District Rules 2201 and 4623]
9. All piping, valves, and fittings shall be constructed and maintained in a leak-free condition. [District Rules 2201 and 4623]
10. A gas leak is defined as a reading in excess of 10,000 ppmv, above background, as measured by a portable hydrocarbon detection instrument in accordance with the procedures specified in EPA Test Method 21. [District Rules 2201 and 4623]
11. The pressure-vacuum relief valve shall be set to within ten (10) percent of the maximum allowable working pressure of the tank. The pressure-vacuum relief valve shall be permanently labeled with the operating pressure settings. The pressure-vacuum relief valve shall be properly installed and 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 set pressure. [District Rule 4623]
12. Any tank gauging or sampling device on a tank vented to the vapor recovery system shall be equipped with a leak-free cover which shall be closed at all times except during gauging or sampling. [District Rule 4623]
13. All piping, fittings, and valves on this tank shall be inspected annually by the facility operator in accordance with EPA Method 21, with the instrument calibrated with methane, to ensure compliance with the leaking provisions of this permit. [District Rule 4623]
14. Operator shall maintain an inspection log containing the following 1) Type of component leaking; 2) Date and time of leak detection, and method of detection; 3) Date and time of leak repair, and emission level of recheck after leak is repaired; 4) Method used to minimize the leak to lowest possible level within 8 hours after detection. [District Rule 4623]
15. Operator shall visually inspect tank shell, hatches, seals, seams, cable seals, valves, flanges, connectors, and any other piping components directly affixed to the tank and within five feet of the tank at least once per year for liquid leaks, and with a portable hydrocarbon detection instrument conducted in accordance with EPA Method 21 for gas leaks. Operator shall also visually or ultrasonically inspect as appropriate, the external shells and roofs of uninsulated tanks for structural integrity annually. [District Rule 4623]
16. Upon detection of a liquid leak, defined as a leak rate of greater than or equal to 30 drops per minute, operator shall repair the leak within 8 hours. For leaks with a liquid leak rate of between 3 and 30 drops per minute, the leaking component shall be repaired within 24 hours after detection. [District Rule 4623]
17. Upon detection of a gas leak, the operator shall take on of the following actions: 1) eliminate the leak within 8 hours after detection; or 2) if the leak cannot be eliminated, then minimize the leak to the lowest possible level within 8 hours after detection by using best maintenance practices, and eliminate the leak within 48 hours after minimization. In no event shall the total time to minimize and eliminate a leak exceed 56 hours after detection. [District Rule 4623]
18. Components found to be leaking either liquids or gases shall be immediately affixed with a tag showing the component to be leaking. Operator shall maintain records of the liquid or gas leak detection readings, date/time the leak was discovered, and date/time the component was repaired to a leak-free condition. [District Rule 4623]
19. Leaking components that have been discovered by the operator that have been immediately tagged and repaired within the timeframes specified in District Rule 4623, Table 3 shall not constitute a violation of this rule. Leaking components as defined by District Rule 4623 discovered by District staff that were not previously identified and/or tagged by the operator, and/or any leaks that were not repaired within the timeframes specified in District Rule 4623, Table 3 shall constitute a violation of this rule. [District Rule 4623]

CONDITIONS CONTINUE ON NEXT PAGE

20. If a component type for a given tank is found to leak during an annual inspection, operator shall conduct quarterly inspections of that component type on the tank or tank system for four consecutive quarters. If no components are found to leak after four consecutive quarters, the operator may revert to annual inspections. [District Rule 4623]
21. Any component found to be leaking on two consecutive annual inspections is in violation of this rule, even if covered under the voluntary inspection and maintenance program. [District Rule 4623]
22. Permittee shall comply with all applicable Tank Interior Cleaning Program requirements specified in Table 3 of Rule 4623. [District Rule 4623]
23. Permittee shall maintain records of annual tank inspections, maintenance, and cleaning to document the participation in the Rule 4623 Fixed Roof Tank Preventative Inspection, Maintenance and Tank Interior Cleaning Program. [District Rule 4623]
24. Operator shall maintain all records of required monitoring data and support information for inspection at any time for a period of five years. [District Rules 1070 and 4623]



## AUTHORITY TO CONSTRUCT

**PERMIT NO:** S-3157-9-1

**ISSUANCE DATE:** 06/22/2011

**LEGAL OWNER OR OPERATOR:** CRIMSON RESOURCE MANAGEMENT  
**MAILING ADDRESS:** ENVIRONMENTAL H & S ENGINEER  
5001 CALIFORNIA AVENUE, SUITE 206  
BAKERSFIELD, CA 93309

**LOCATION:** HEAVY OIL CENTRAL  
CA

**SECTION:** NE01 **TOWNSHIP:** 29S **RANGE:** 26E

**EQUIPMENT DESCRIPTION:**

MODIFICATION OF ONE 84,000 GALLON FIXED ROOF CRUDE OIL PRODUCTION TANK, #3627 (ROSEDALE RANCH); CONNECT TO THE TANK VAPOR CONTROL SYSTEM LISTED ON S-3157-28

### CONDITIONS

1. To maintain status as 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 Rules 4623 and 3020]
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. No air contaminant shall be released into the atmosphere which causes a public nuisance. [District Rule 4102]
4. This tank shall be connected to the tank vapor control system listed on tank permit S-3157-28. [District Rules 2201 and 4623]
5. This tank shall be equipped with a vapor recovery system consisting of a closed vent system that collects all VOCs from the storage tank, and a VOC control device. The vapor recovery system shall be APCO-approved and maintained in leak-free condition. The VOC control device shall be either of the following: a vapor return or condensation system that connects to a gas pipeline distribution system, or an approved VOC destruction device the reduces the inlet VOC emissions by at least 99% by weight as determined by the test method specified in Section 6.4.7. [District Rule 4623]

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

*Richard W. Warner*

DAVID WARNER, Director of Permit Services  
6-3157-9-1: Jun 22 2011 9:15AM - ROEDERS : Joint Inspection NOT Required

6. The Permittee shall maintain with the permit accurate fugitive component counts, and the resulting emissions from the tank, using "California Implementation Guidelines for Estimating Mass Emissions of Fugitive Hydrocarbon Leaks at Petroleum Facilities", Table IV-2c, "Oil and Gas Production Screening Value Ranges (< 10,000 ppmv) Emission Factors". [District Rule 2201]
7. VOC emission rate from vapor service components associated with this tank shall not exceed 0.3 lb/day. [District Rule 2201]
8. This tank shall be fully enclosed and maintained in a leak-free condition. [District Rules 2201 and 4623]
9. All piping, valves, and fittings shall be constructed and maintained in a leak-free condition. [District Rules 2201 and 4623]
10. A gas leak is defined as a reading in excess of 10,000 ppmv, above background, as measured by a portable hydrocarbon detection instrument in accordance with the procedures specified in EPA Test Method 21. [District Rules 2201 and 4623]
11. The pressure-vacuum relief valve shall be set to within ten (10) percent of the maximum allowable working pressure of the tank. The pressure-vacuum relief valve shall be permanently labeled with the operating pressure settings. The pressure-vacuum relief valve shall be properly installed and 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 set pressure. [District Rule 4623]
12. Any tank gauging or sampling device on a tank vented to the vapor recovery system shall be equipped with a leak-free cover which shall be closed at all times except during gauging or sampling. [District Rule 4623]
13. All piping, fittings, and valves on this tank shall be inspected annually by the facility operator in accordance with EPA Method 21, with the instrument calibrated with methane, to ensure compliance with the leaking provisions of this permit. [District Rule 4623]
14. Operator shall maintain an inspection log containing the following 1) Type of component leaking; 2) Date and time of leak detection, and method of detection; 3) Date and time of leak repair, and emission level of recheck after leak is repaired; 4) Method used to minimize the leak to lowest possible level within 8 hours after detection. [District Rule 4623]
15. Operator shall visually inspect tank shell, hatches, seals, seams, cable seals, valves, flanges, connectors, and any other piping components directly affixed to the tank and within five feet of the tank at least once per year for liquid leaks, and with a portable hydrocarbon detection instrument conducted in accordance with EPA Method 21 for gas leaks. Operator shall also visually or ultrasonically inspect as appropriate, the external shells and roofs of uninsulated tanks for structural integrity annually. [District Rule 4623]
16. Upon detection of a liquid leak, defined as a leak rate of greater than or equal to 30 drops per minute, operator shall repair the leak within 8 hours. For leaks with a liquid leak rate of between 3 and 30 drops per minute, the leaking component shall be repaired within 24 hours after detection. [District Rule 4623]
17. Upon detection of a gas leak, the operator shall take on of the following actions: 1) eliminate the leak within 8 hours after detection; or 2) if the leak cannot be eliminated, then minimize the leak to the lowest possible level within 8 hours after detection by using best maintenance practices, and eliminate the leak within 48 hours after minimization. In no event shall the total time to minimize and eliminate a leak exceed 56 hours after detection. [District Rule 4623]
18. Components found to be leaking either liquids or gases shall be immediately affixed with a tag showing the component to be leaking. Operator shall maintain records of the liquid or gas leak detection readings, date/time the leak was discovered, and date/time the component was repaired to a leak-free condition. [District Rule 4623]
19. Leaking components that have been discovered by the operator that have been immediately tagged and repaired within the timeframes specified in District Rule 4623, Table 3 shall not constitute a violation of this rule. Leaking components as defined by District Rule 4623 discovered by District staff that were not previously identified and/or tagged by the operator, and/or any leaks that were not repaired within the timeframes specified in District Rule 4623, Table 3 shall constitute a violation of this rule. [District Rule 4623]

CONDITIONS CONTINUE ON NEXT PAGE



20. If a component type for a given tank is found to leak during an annual inspection, operator shall conduct quarterly inspections of that component type on the tank or tank system for four consecutive quarters. If no components are found to leak after four consecutive quarters, the operator may revert to annual inspections. [District Rule 4623]
21. Any component found to be leaking on two consecutive annual inspections is in violation of this rule, even if covered under the voluntary inspection and maintenance program. [District Rule 4623]
22. Permittee shall comply with all applicable Tank Interior Cleaning Program requirements specified in Table 3 of Rule 4623. [District Rule 4623]
23. Permittee shall maintain records of annual tank inspections, maintenance, and cleaning to document the participation in the Rule 4623 Fixed Roof Tank Preventative Inspection, Maintenance and Tank Interior Cleaning Program. [District Rule 4623]
24. Operator shall maintain all records of required monitoring data and support information for inspection at any time for a period of five years. [District Rules 1070 and 4623]



## AUTHORITY TO CONSTRUCT

PERMIT NO: S-3157-11-2

ISSUANCE DATE: 06/22/2011

**LEGAL OWNER OR OPERATOR:** CRIMSON RESOURCE MANAGEMENT  
**MAILING ADDRESS:** ENVIRONMENTAL H & S ENGINEER  
5001 CALIFORNIA AVENUE, SUITE 206  
BAKERSFIELD, CA 93309

**LOCATION:** HEAVY OIL CENTRAL  
CA

**SECTION:** SW01 **TOWNSHIP:** 29S **RANGE:** 26E

**EQUIPMENT DESCRIPTION:**

MODIFICATION OF ONE 84,000 GALLON FIXED ROOF CRUDE OIL STORAGE TANK #3376 SERVED BY VAPOR CONTROL SYSTEM POWERED BY A 15 HP ELECTRICAL COMPRESSOR DISCHARGING TO FIELD GAS GATHERING SYSTEM AND SHARED WITH TANKS S-3157-27 AND '-29 (ROSEDALE RANCH MAIN BATTERY): REMOVE TVP LIMIT OF 0.5 PSIA

### CONDITIONS

1. To maintain status as 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 Rules 4623 and 3020]
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. No air contaminant shall be released into the atmosphere which causes a public nuisance. [District Rule 4102]
4. This tank shall be equipped with a vapor control system consisting of a closed vent system that collects all VOCs from the storage tank, and a VOC control device. The vapor recovery system shall be APCO-approved and maintained in leak-free condition. The VOC control device shall be either of the following: a vapor return or condensation system that connects to a gas pipeline distribution system, or an approved VOC destruction device the reduces the inlet VOC emissions by at least 99% by weight as determined by the test method specified in Section 6.4.7. [District Rule 4623]

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  
6-3157-11-2 : Jun 22 2011 9:16AM - ROEDERS : Joint Inspection NOT Required

5. The Permittee shall maintain with the permit accurate fugitive component counts, and the resulting emissions from the tank, using "California Implementation Guidelines for Estimating Mass Emissions of Fugitive Hydrocarbon Leaks at Petroleum Facilities", Table IV-2c, "Oil and Gas Production Screening Value Ranges (< 10,000 ppmv) Emission Factors". [District Rule 2201]
6. VOC emission rate from vapor service components associated with this tank shall not exceed 0.4 lb/day. [District Rule 2201]
7. This tank shall be fully enclosed and maintained in a leak-free condition. [District Rules 2201 and 4623]
8. All piping, valves, and fittings shall be constructed and maintained in a leak-free condition. [District Rules 2201 and 4623]
9. A gas leak is defined as a reading in excess of 10,000 ppmv, above background, as measured by a portable hydrocarbon detection instrument in accordance with the procedures specified in EPA Test Method 21. [District Rules 2201 and 4623]
10. The pressure-vacuum relief valve shall be set to within ten (10) percent of the maximum allowable working pressure of the tank. The pressure-vacuum relief valve shall be permanently labeled with the operating pressure settings. The pressure-vacuum relief valve shall be properly installed and 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 set pressure. [District Rule 4623]
11. Any tank gauging or sampling device on a tank vented to the vapor recovery system shall be equipped with a leak-free cover which shall be closed at all times except during gauging or sampling. [District Rule 4623]
12. All piping, fittings, and valves on this tank shall be inspected annually by the facility operator in accordance with EPA Method 21, with the instrument calibrated with methane, to ensure compliance with the leaking provisions of this permit. [District Rule 4623]
13. Operator shall maintain an inspection log containing the following 1) Type of component leaking; 2) Date and time of leak detection, and method of detection; 3) Date and time of leak repair, and emission level of recheck after leak is repaired; 4) Method used to minimize the leak to lowest possible level within 8 hours after detection. [District Rule 4623]
14. Operator shall visually inspect tank shell, hatches, seals, seams, cable seals, valves, flanges, connectors, and any other piping components directly affixed to the tank and within five feet of the tank at least once per year for liquid leaks, and with a portable hydrocarbon detection instrument conducted in accordance with EPA Method 21 for gas leaks. Operator shall also visually or ultrasonically inspect as appropriate, the external shells and roofs of uninsulated tanks for structural integrity annually. [District Rule 4623]
15. Upon detection of a liquid leak, defined as a leak rate of greater than or equal to 30 drops per minute, operator shall repair the leak within 8 hours. For leaks with a liquid leak rate of between 3 and 30 drops per minute, the leaking component shall be repaired within 24 hours after detection. [District Rule 4623]
16. Upon detection of a gas leak, the operator shall take on of the following actions: 1) eliminate the leak within 8 hours after detection; or 2) if the leak cannot be eliminated, then minimize the leak to the lowest possible level within 8 hours after detection by using best maintenance practices, and eliminate the leak within 48 hours after minimization. In no event shall the total time to minimize and eliminate a leak exceed 56 hours after detection. [District Rule 4623]
17. Components found to be leaking either liquids or gases shall be immediately affixed with a tag showing the component to be leaking. Operator shall maintain records of the liquid or gas leak detection readings, date/time the leak was discovered, and date/time the component was repaired to a leak-free condition. [District Rule 4623]
18. Leaking components that have been discovered by the operator that have been immediately tagged and repaired within the timeframes specified in District Rule 4623, Table 3 shall not constitute a violation of this rule. Leaking components as defined by District Rule 4623 discovered by District staff that were not previously identified and/or tagged by the operator, and/or any leaks that were not repaired within the timeframes specified in District Rule 4623, Table 3 shall constitute a violation of this rule. [District Rule 4623]

CONDITIONS CONTINUE ON NEXT PAGE

19. If a component type for a given tank is found to leak during an annual inspection, operator shall conduct quarterly inspections of that component type on the tank or tank system for four consecutive quarters. If no components are found to leak after four consecutive quarters, the operator may revert to annual inspections. [District Rule 4623]
20. Any component found to be leaking on two consecutive annual inspections is in violation of this rule, even if covered under the voluntary inspection and maintenance program. [District Rule 4623]
21. Permittee shall comply with all applicable Tank Interior Cleaning Program requirements specified in Table 3 of Rule 4623. [District Rule 4623]
22. Permittee shall maintain records of annual tank inspections, maintenance, and cleaning to document the participation in the Rule 4623 Fixed Roof Tank Preventative Inspection, Maintenance and Tank Interior Cleaning Program. [District Rule 4623]
23. Operator shall maintain all records of required monitoring data and support information for inspection at any time for a period of five years. [District Rules 1070 and 4623]

20110622 09:15:00 AM ROEDERS



## AUTHORITY TO CONSTRUCT

PERMIT NO: S-3157-27-2

ISSUANCE DATE: 06/22/2011

**LEGAL OWNER OR OPERATOR:** CRIMSON RESOURCE MANAGEMENT  
**MAILING ADDRESS:** ENVIRONMENTAL H & S ENGINEER  
5001 CALIFORNIA AVENUE, SUITE 206  
BAKERSFIELD, CA 93309

**LOCATION:** HEAVY OIL CENTRAL  
CA

**SECTION:** SW 1 **TOWNSHIP:** 29S **RANGE:** 26E

**EQUIPMENT DESCRIPTION:**

MODIFICATION OF 3,000 BBL FIXED ROOF CRUDE OIL STORAGE TANK SERVED BY THE TANK VAPOR CONTROL SYSTEM LISTED ON S-3157-11 (ROSEDALE RANCH MAIN BATTERY): REMOVE TVP LIMIT OF 0.5 PSIA

### CONDITIONS

1. To maintain status as 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 Rules 4623 and 3020]
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. No air contaminant shall be released into the atmosphere which causes a public nuisance. [District Rule 4102]
4. This tank shall be connected to the tank vapor control system listed on tank permit S-3157-11. [District Rules 2201 and 4623]
5. This tank shall be equipped with a vapor recovery system consisting of a closed vent system that collects all VOCs from the storage tank, and a VOC control device. The vapor recovery system shall be APCO-approved and maintained in leak-free condition. The VOC control device shall be either of the following: a vapor return or condensation system that connects to a gas pipeline distribution system, or an approved VOC destruction device the reduces the inlet VOC emissions by at least 99% by weight as determined by the test method specified in Section 6.4.7. [District Rule 4623]

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

S-3157-27-2 : Jun 22 2011 9:15AM - ROEDERS : Joint Inspection NOT Required

6. The Permittee shall maintain with the permit accurate fugitive component counts, and the resulting emissions from the tank, using "California Implementation Guidelines for Estimating Mass Emissions of Fugitive Hydrocarbon Leaks at Petroleum Facilities", Table IV-2c, "Oil and Gas Production Screening Value Ranges (< 10,000 ppmv) Emission Factors". [District Rule 2201]
7. VOC emission rate from vapor service components associated with this tank shall not exceed 0.2 lb/day. [District Rule 2201]
8. This tank shall be fully enclosed and maintained in a leak-free condition. [District Rules 2201 and 4623]
9. All piping, valves, and fittings shall be constructed and maintained in a leak-free condition. [District Rules 2201 and 4623]
10. A gas leak is defined as a reading in excess of 10,000 ppmv, above background, as measured by a portable hydrocarbon detection instrument in accordance with the procedures specified in EPA Test Method 21. [District Rules 2201 and 4623]
11. The pressure-vacuum relief valve shall be set to within ten (10) percent of the maximum allowable working pressure of the tank. The pressure-vacuum relief valve shall be permanently labeled with the operating pressure settings. The pressure-vacuum relief valve shall be properly installed and 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 set pressure. [District Rule 4623]
12. Any tank gauging or sampling device on a tank vented to the vapor recovery system shall be equipped with a leak-free cover which shall be closed at all times except during gauging or sampling. [District Rule 4623]
13. All piping, fittings, and valves on this tank shall be inspected annually by the facility operator in accordance with EPA Method 21, with the instrument calibrated with methane, to ensure compliance with the leaking provisions of this permit. [District Rule 4623]
14. Operator shall maintain an inspection log containing the following 1) Type of component leaking; 2) Date and time of leak detection, and method of detection; 3) Date and time of leak repair, and emission level of recheck after leak is repaired; 4) Method used to minimize the leak to lowest possible level within 8 hours after detection. [District Rule 4623]
15. Operator shall visually inspect tank shell, hatches, seals, seams, cable seals, valves, flanges, connectors, and any other piping components directly affixed to the tank and within five feet of the tank at least once per year for liquid leaks, and with a portable hydrocarbon detection instrument conducted in accordance with EPA Method 21 for gas leaks. Operator shall also visually or ultrasonically inspect as appropriate, the external shells and roofs of uninsulated tanks for structural integrity annually. [District Rule 4623]
16. Upon detection of a liquid leak, defined as a leak rate of greater than or equal to 30 drops per minute, operator shall repair the leak within 8 hours. For leaks with a liquid leak rate of between 3 and 30 drops per minute, the leaking component shall be repaired within 24 hours after detection. [District Rule 4623]
17. Upon detection of a gas leak, the operator shall take on of the following actions: 1) eliminate the leak within 8 hours after detection; or 2) if the leak cannot be eliminated, then minimize the leak to the lowest possible level within 8 hours after detection by using best maintenance practices, and eliminate the leak within 48 hours after minimization. In no event shall the total time to minimize and eliminate a leak exceed 56 hours after detection. [District Rule 4623]
18. Components found to be leaking either liquids or gases shall be immediately affixed with a tag showing the component to be leaking. Operator shall maintain records of the liquid or gas leak detection readings, date/time the leak was discovered, and date/time the component was repaired to a leak-free condition. [District Rule 4623]
19. Leaking components that have been discovered by the operator that have been immediately tagged and repaired within the timeframes specified in District Rule 4623, Table 3 shall not constitute a violation of this rule. Leaking components as defined by District Rule 4623 discovered by District staff that were not previously identified and/or tagged by the operator, and/or any leaks that were not repaired within the timeframes specified in District Rule 4623, Table 3 shall constitute a violation of this rule. [District Rule 4623]

CONDITIONS CONTINUE ON NEXT PAGE

20. If a component type for a given tank is found to leak during an annual inspection, operator shall conduct quarterly inspections of that component type on the tank or tank system for four consecutive quarters. If no components are found to leak after four consecutive quarters, the operator may revert to annual inspections. [District Rule 4623]
21. Any component found to be leaking on two consecutive annual inspections is in violation of this rule, even if covered under the voluntary inspection and maintenance program. [District Rule 4623]
22. Permittee shall comply with all applicable Tank Interior Cleaning Program requirements specified in Table 3 of Rule 4623. [District Rule 4623]
23. Permittee shall maintain records of annual tank inspections, maintenance, and cleaning to document the participation in the Rule 4623 Fixed Roof Tank Preventative Inspection, Maintenance and Tank Interior Cleaning Program. [District Rule 4623]
24. Operator shall maintain all records of required monitoring data and support information for inspection at any time for a period of five years. [District Rules 1070 and 4623]



## AUTHORITY TO CONSTRUCT

**PERMIT NO:** S-3157-28-1

**ISSUANCE DATE:** 06/22/2011

**LEGAL OWNER OR OPERATOR:** CRIMSON RESOURCE MANAGEMENT  
**MAILING ADDRESS:** ENVIRONMENTAL H & S ENGINEER  
5001 CALIFORNIA AVENUE, SUITE 206  
BAKERSFIELD, CA 93309

**LOCATION:** HEAVY OIL CENTRAL  
CA

**SECTION:** NE 1 **TOWNSHIP:** 29 S **RANGE:** 26 E

**EQUIPMENT DESCRIPTION:**

MODIFICATION OF ONE 1,500 BBL FIXED ROOF CRUDE OIL WASH TANK AND TANK VAPOR CONTROL SYSTEM SHARED WITH S-3157-33 (NE WASH TANK, ROSEDALE RANCH NE BATTERY): REMOVE TVP LIMIT OF 0.5 PSIA

### CONDITIONS

1. To maintain status as 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 Rules 4623 and 3020]
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. No air contaminant shall be released into the atmosphere which causes a public nuisance. [District Rule 4102]
4. This tank shall be equipped with a vapor control system consisting of a closed vent system that collects all VOCs from the storage tank, and a VOC control device. The vapor recovery system shall be APCO-approved and maintained in leak-free condition. The VOC control device shall be either of the following: a vapor return or condensation system that connects to a gas pipeline distribution system, or an approved VOC destruction device the reduces the inlet VOC emissions by at least 99% by weight as determined by the test method specified in Section 6.4.7. [District Rule 4623]
5. The Permittee shall maintain with the permit accurate fugitive component counts, and the resulting emissions from the tank, using "California Implementation Guidelines for Estimating Mass Emissions of Fugitive Hydrocarbon Leaks at Petroleum Facilities", Table IV-2c, "Oil and Gas Production Screening Value Ranges (< 10,000 ppmv) Emission Factors". [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

*Richard W. Warner*

DAVID WARNER, Director of Permit Services

S-3157-28-1: Jun 22 2011 8:15AM - ROEDERS : Joint Inspection NOT Required



6. VOC emission rate from vapor service components associated with this tank shall not exceed 0.6 lb/day. [District Rule 2201]
7. This tank shall be fully enclosed and maintained in a leak-free condition. [District Rules 2201 and 4623]
8. All piping, valves, and fittings shall be constructed and maintained in a leak-free condition. [District Rules 2201 and 4623]
9. A gas leak is defined as a reading in excess of 10,000 ppmv, above background, as measured by a portable hydrocarbon detection instrument in accordance with the procedures specified in EPA Test Method 21. [District Rules 2201 and 4623]
10. The pressure-vacuum relief valve shall be set to within ten (10) percent of the maximum allowable working pressure of the tank. The pressure-vacuum relief valve shall be permanently labeled with the operating pressure settings. The pressure-vacuum relief valve shall be properly installed and 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 set pressure. [District Rule 4623]
11. Any tank gauging or sampling device on a tank vented to the vapor recovery system shall be equipped with a leak-free cover which shall be closed at all times except during gauging or sampling. [District Rule 4623]
12. All piping, fittings, and valves on this tank shall be inspected annually by the facility operator in accordance with EPA Method 21, with the instrument calibrated with methane, to ensure compliance with the leaking provisions of this permit. [District Rule 4623]
13. Operator shall maintain an inspection log containing the following 1) Type of component leaking; 2) Date and time of leak detection, and method of detection; 3) Date and time of leak repair, and emission level of recheck after leak is repaired; 4) Method used to minimize the leak to lowest possible level within 8 hours after detection. [District Rule 4623]
14. Operator shall visually inspect tank shell, hatches, seals, seams, cable seals, valves, flanges, connectors, and any other piping components directly affixed to the tank and within five feet of the tank at least once per year for liquid leaks, and with a portable hydrocarbon detection instrument conducted in accordance with EPA Method 21 for gas leaks. Operator shall also visually or ultrasonically inspect as appropriate, the external shells and roofs of uninsulated tanks for structural integrity annually. [District Rule 4623]
15. Upon detection of a liquid leak, defined as a leak rate of greater than or equal to 30 drops per minute, operator shall repair the leak within 8 hours. For leaks with a liquid leak rate of between 3 and 30 drops per minute, the leaking component shall be repaired within 24 hours after detection. [District Rule 4623]
16. Upon detection of a gas leak, the operator shall take on of the following actions: 1) eliminate the leak within 8 hours after detection; or 2) if the leak cannot be eliminated, then minimize the leak to the lowest possible level within 8 hours after detection by using best maintenance practices, and eliminate the leak within 48 hours after minimization. In no event shall the total time to minimize and eliminate a leak exceed 56 hours after detection. [District Rule 4623]
17. Components found to be leaking either liquids or gases shall be immediately affixed with a tag showing the component to be leaking. Operator shall maintain records of the liquid or gas leak detection readings, date/time the leak was discovered, and date/time the component was repaired to a leak-free condition. [District Rule 4623]
18. Leaking components that have been discovered by the operator that have been immediately tagged and repaired within the timeframes specified in District Rule 4623, Table 3 shall not constitute a violation of this rule. Leaking components as defined by District Rule 4623 discovered by District staff that were not previously identified and/or tagged by the operator, and/or any leaks that were not repaired within the timeframes specified in District Rule 4623, Table 3 shall constitute a violation of this rule. [District Rule 4623]
19. If a component type for a given tank is found to leak during an annual inspection, operator shall conduct quarterly inspections of that component type on the tank or tank system for four consecutive quarters. If no components are found to leak after four consecutive quarters, the operator may revert to annual inspections. [District Rule 4623]
20. Any component found to be leaking on two consecutive annual inspections is in violation of this rule, even if covered under the voluntary inspection and maintenance program. [District Rule 4623]

CONDITIONS CONTINUE ON NEXT PAGE

21. Permittee shall comply with all applicable Tank Interior Cleaning Program requirements specified in Table 3 of Rule 4623. [District Rule 4623]
22. Permittee shall maintain records of annual tank inspections, maintenance, and cleaning to document the participation in the Rule 4623 Fixed Roof Tank Preventative Inspection, Maintenance and Tank Interior Cleaning Program. [District Rule 4623]
23. Operator shall maintain all records of required monitoring data and support information for inspection at any time for a period of five years. [District Rules 1070 and 4623]



## AUTHORITY TO CONSTRUCT

PERMIT NO: S-3157-29-1

ISSUANCE DATE: 06/22/2011

LEGAL OWNER OR OPERATOR: CRIMSON RESOURCE MANAGEMENT  
MAILING ADDRESS: ENVIRONMENTAL H & S ENGINEER  
5001 CALIFORNIA AVENUE, SUITE 206  
BAKERSFIELD, CA 93309

LOCATION: HEAVY OIL CENTRAL  
CA

SECTION: SW 1 TOWNSHIP: 29S RANGE: 26E

**EQUIPMENT DESCRIPTION:**

MODIFICATION OF ONE 2,000 BBL FIXED ROOF CRUDE OIL STORAGE TANK SERVED BY THE TANK VAPOR CONTROL SYSTEM LISTED ON S-3157-11 (ROSEDALE RANCH MAIN BATTERY): REMOVE TVP LIMIT OF 0.5 PSIA

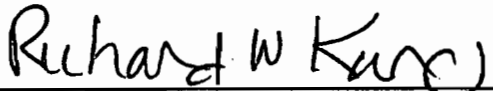
### CONDITIONS

1. To maintain status as 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 Rules 4623 and 3020]
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. No air contaminant shall be released into the atmosphere which causes a public nuisance. [District Rule 4102]
4. This tank shall be connected to the tank vapor control system listed on tank permit S-3157-11. [District Rules 2201 and 4623]
5. This tank shall be equipped with a vapor recovery system consisting of a closed vent system that collects all VOCs from the storage tank, and a VOC control device. The vapor recovery system shall be APCO-approved and maintained in leak-free condition. The VOC control device shall be either of the following: a vapor return or condensation system that connects to a gas pipeline distribution system, or an approved VOC destruction device the reduces the inlet VOC emissions by at least 99% by weight as determined by the test method specified in Section 6.4.7. [District Rule 4623]

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

S-3157-29-1: Jun 22 2011 9:15AM - ROEDERB : Joint Inspection NOT Required

6. The Permittee shall maintain with the permit accurate fugitive component counts, and the resulting emissions from the tank, using "California Implementation Guidelines for Estimating Mass Emissions of Fugitive Hydrocarbon Leaks at Petroleum Facilities", Table IV-2c, "Oil and Gas Production Screening Value Ranges (< 10,000 ppmv) Emission Factors". [District Rule 2201]
7. VOC emission rate from vapor service components associated with this tank shall not exceed 0.4 lb/day. [District Rule 2201]
8. This tank shall be fully enclosed and maintained in a leak-free condition. [District Rules 2201 and 4623]
9. All piping, valves, and fittings shall be constructed and maintained in a leak-free condition. [District Rules 2201 and 4623]
10. A gas leak is defined as a reading in excess of 10,000 ppmv, above background, as measured by a portable hydrocarbon detection instrument in accordance with the procedures specified in EPA Test Method 21. [District Rules 2201 and 4623]
11. The pressure-vacuum relief valve shall be set to within ten (10) percent of the maximum allowable working pressure of the tank. The pressure-vacuum relief valve shall be permanently labeled with the operating pressure settings. The pressure-vacuum relief valve shall be properly installed and 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 set pressure. [District Rule 4623]
12. Any tank gauging or sampling device on a tank vented to the vapor recovery system shall be equipped with a leak-free cover which shall be closed at all times except during gauging or sampling. [District Rule 4623]
13. All piping, fittings, and valves on this tank shall be inspected annually by the facility operator in accordance with EPA Method 21, with the instrument calibrated with methane, to ensure compliance with the leaking provisions of this permit. [District Rule 4623]
14. Operator shall maintain an inspection log containing the following 1) Type of component leaking; 2) Date and time of leak detection, and method of detection; 3) Date and time of leak repair, and emission level of recheck after leak is repaired; 4) Method used to minimize the leak to lowest possible level within 8 hours after detection. [District Rule 4623]
15. Operator shall visually inspect tank shell, hatches, seals, seams, cable seals, valves, flanges, connectors, and any other piping components directly affixed to the tank and within five feet of the tank at least once per year for liquid leaks, and with a portable hydrocarbon detection instrument conducted in accordance with EPA Method 21 for gas leaks. Operator shall also visually or ultrasonically inspect as appropriate, the external shells and roofs of uninsulated tanks for structural integrity annually. [District Rule 4623]
16. Upon detection of a liquid leak, defined as a leak rate of greater than or equal to 30 drops per minute, operator shall repair the leak within 8 hours. For leaks with a liquid leak rate of between 3 and 30 drops per minute, the leaking component shall be repaired within 24 hours after detection. [District Rule 4623]
17. Upon detection of a gas leak, the operator shall take on of the following actions: 1) eliminate the leak within 8 hours after detection; or 2) if the leak cannot be eliminated, then minimize the leak to the lowest possible level within 8 hours after detection by using best maintenance practices, and eliminate the leak within 48 hours after minimization. In no event shall the total time to minimize and eliminate a leak exceed 56 hours after detection. [District Rule 4623]
18. Components found to be leaking either liquids or gases shall be immediately affixed with a tag showing the component to be leaking. Operator shall maintain records of the liquid or gas leak detection readings, date/time the leak was discovered, and date/time the component was repaired to a leak-free condition. [District Rule 4623]
19. Leaking components that have been discovered by the operator that have been immediately tagged and repaired within the timeframes specified in District Rule 4623, Table 3 shall not constitute a violation of this rule. Leaking components as defined by District Rule 4623 discovered by District staff that were not previously identified and/or tagged by the operator, and/or any leaks that were not repaired within the timeframes specified in District Rule 4623, Table 3 shall constitute a violation of this rule. [District Rule 4623]

CONDITIONS CONTINUE ON NEXT PAGE

20. If a component type for a given tank is found to leak during an annual inspection, operator shall conduct quarterly inspections of that component type on the tank or tank system for four consecutive quarters. If no components are found to leak after four consecutive quarters, the operator may revert to annual inspections. [District Rule 4623]
21. Any component found to be leaking on two consecutive annual inspections is in violation of this rule, even if covered under the voluntary inspection and maintenance program. [District Rule 4623]
22. Permittee shall comply with all applicable Tank Interior Cleaning Program requirements specified in Table 3 of Rule 4623. [District Rule 4623]
23. Permittee shall maintain records of annual tank inspections, maintenance, and cleaning to document the participation in the Rule 4623 Fixed Roof Tank Preventative Inspection, Maintenance and Tank Interior Cleaning Program. [District Rule 4623]
24. Operator shall maintain all records of required monitoring data and support information for inspection at any time for a period of five years. [District Rules 1070 and 4623]



## AUTHORITY TO CONSTRUCT

PERMIT NO: S-3157-30-1

ISSUANCE DATE: 06/22/2011

**LEGAL OWNER OR OPERATOR:** CRIMSON RESOURCE MANAGEMENT  
**MAILING ADDRESS:** ENVIRONMENTAL H & S ENGINEER  
5001 CALIFORNIA AVENUE, SUITE 206  
BAKERSFIELD, CA 93309

**LOCATION:** HEAVY OIL CENTRAL  
CA

**SECTION:** NE 1 **TOWNSHIP:** 29 S **RANGE:** 26 E

**EQUIPMENT DESCRIPTION:**

MODIFICATION OF ONE 500 BBL FIXED ROOF CRUDE OIL STORAGE TANK SERVED BY THE TANK VAPOR CONTROL SYSTEM LISTED ON S-3157-28 (NE STOCK TANK #1, ROSEDALE RANCH NE BATTERY): REMOVE TVP LIMIT OF 0.5 PSIA

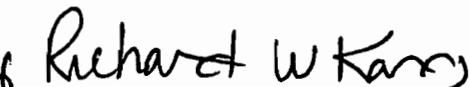
### CONDITIONS

1. Prior to the implementation of this Authority to Construct (ATC), ATC S-3157-30-0 shall be implemented. [District Rule 2201]
2. To maintain status as 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 Rules 4623 and 3020]
3. 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]
4. No air contaminant shall be released into the atmosphere which causes a public nuisance. [District Rule 4102]
5. This tank shall be connected to the tank vapor control system listed on tank permit S-3157-28. [District Rules 2201 and 4623]

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

S-3157-30-1; Jun 22 2011 9:15AM - ROEDERS : Joint Inspection NOT Required

6. This tank shall be equipped with a vapor recovery system consisting of a closed vent system that collects all VOCs from the storage tank, and a VOC control device. The vapor recovery system shall be APCO-approved and maintained in leak-free condition. The VOC control device shall be either of the following: a vapor return or condensation system that connects to a gas pipeline distribution system, or an approved VOC destruction device that reduces the inlet VOC emissions by at least 99% by weight as determined by the test method specified in Section 6.4.7. [District Rule 4623]
7. The Permittee shall maintain with the permit accurate fugitive component counts, and the resulting emissions from the tank, using "California Implementation Guidelines for Estimating Mass Emissions of Fugitive Hydrocarbon Leaks at Petroleum Facilities", Table IV-2c, "Oil and Gas Production Screening Value Ranges (< 10,000 ppmv) Emission Factors". [District Rule 2201]
8. VOC emission rate from vapor service components associated with this tank shall not exceed 0.4 lb/day. [District Rule 2201]
9. This tank shall be fully enclosed and maintained in a leak-free condition. [District Rules 2201 and 4623]
10. All piping, valves, and fittings shall be constructed and maintained in a leak-free condition. [District Rules 2201 and 4623]
11. A gas leak is defined as a reading in excess of 10,000 ppmv, above background, as measured by a portable hydrocarbon detection instrument in accordance with the procedures specified in EPA Test Method 21. [District Rules 2201 and 4623]
12. The pressure-vacuum relief valve shall be set to within ten (10) percent of the maximum allowable working pressure of the tank. The pressure-vacuum relief valve shall be permanently labeled with the operating pressure settings. The pressure-vacuum relief valve shall be properly installed and 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 set pressure. [District Rule 4623]
13. Any tank gauging or sampling device on a tank vented to the vapor recovery system shall be equipped with a leak-free cover which shall be closed at all times except during gauging or sampling. [District Rule 4623]
14. All piping, fittings, and valves on this tank shall be inspected annually by the facility operator in accordance with EPA Method 21, with the instrument calibrated with methane, to ensure compliance with the leaking provisions of this permit. [District Rule 4623]
15. Operator shall maintain an inspection log containing the following 1) Type of component leaking; 2) Date and time of leak detection, and method of detection; 3) Date and time of leak repair, and emission level of recheck after leak is repaired; 4) Method used to minimize the leak to lowest possible level within 8 hours after detection. [District Rule 4623]
16. Operator shall visually inspect tank shell, hatches, seals, seams, cable seals, valves, flanges, connectors, and any other piping components directly affixed to the tank and within five feet of the tank at least once per year for liquid leaks, and with a portable hydrocarbon detection instrument conducted in accordance with EPA Method 21 for gas leaks. Operator shall also visually or ultrasonically inspect as appropriate, the external shells and roofs of uninsulated tanks for structural integrity annually. [District Rule 4623]
17. Upon detection of a liquid leak, defined as a leak rate of greater than or equal to 30 drops per minute, operator shall repair the leak within 8 hours. For leaks with a liquid leak rate of between 3 and 30 drops per minute, the leaking component shall be repaired within 24 hours after detection. [District Rule 4623]
18. Upon detection of a gas leak, the operator shall take on of the following actions: 1) eliminate the leak within 8 hours after detection; or 2) if the leak cannot be eliminated, then minimize the leak to the lowest possible level within 8 hours after detection by using best maintenance practices, and eliminate the leak within 48 hours after minimization. In no event shall the total time to minimize and eliminate a leak exceed 56 hours after detection. [District Rule 4623]
19. Components found to be leaking either liquids or gases shall be immediately affixed with a tag showing the component to be leaking. Operator shall maintain records of the liquid or gas leak detection readings, date/time the leak was discovered, and date/time the component was repaired to a leak-free condition. [District Rule 4623]

CONDITIONS CONTINUE ON NEXT PAGE

20. Leaking components that have been discovered by the operator that have been immediately tagged and repaired within the timeframes specified in District Rule 4623, Table 3 shall not constitute a violation of this rule. Leaking components as defined by District Rule 4623 discovered by District staff that were not previously identified and/or tagged by the operator, and/or any leaks that were not repaired within the timeframes specified in District Rule 4623, Table 3 shall constitute a violation of this rule. [District Rule 4623]
21. If a component type for a given tank is found to leak during an annual inspection, operator shall conduct quarterly inspections of that component type on the tank or tank system for four consecutive quarters. If no components are found to leak after four consecutive quarters, the operator may revert to annual inspections. [District Rule 4623]
22. Any component found to be leaking on two consecutive annual inspections is in violation of this rule, even if covered under the voluntary inspection and maintenance program. [District Rule 4623]
23. Permittee shall comply with all applicable Tank Interior Cleaning Program requirements specified in Table 3 of Rule 4623. [District Rule 4623]
24. Permittee shall maintain records of annual tank inspections, maintenance, and cleaning to document the participation in the Rule 4623 Fixed Roof Tank Preventative Inspection, Maintenance and Tank Interior Cleaning Program. [District Rule 4623]
25. Operator shall maintain all records of required monitoring data and support information for inspection at any time for a period of five years. [District Rules 1070 and 4623]





## AUTHORITY TO CONSTRUCT

PERMIT NO: S-3157-31-1

ISSUANCE DATE: 06/22/2011

**LEGAL OWNER OR OPERATOR:** CRIMSON RESOURCE MANAGEMENT  
**MAILING ADDRESS:** ENVIRONMENTAL H & S ENGINEER  
5001 CALIFORNIA AVENUE, SUITE 206  
BAKERSFIELD, CA 93309

**LOCATION:** HEAVY OIL CENTRAL  
CA

**SECTION:** NE 1 **TOWNSHIP:** 29 S **RANGE:** 26 E

**EQUIPMENT DESCRIPTION:**

MODIFICATION OF ONE 500 BBL FIXED ROOF CRUDE OIL STORAGE TANK SERVED BY THE TANK VAPOR CONTROL SYSTEM LISTED ON S-3157-28 (NE STOCK TANK #2, ROSEDALE RANCH NE BATTERY): REMOVE TVP LIMIT OF 0.5 PSIA

### CONDITIONS

1. Prior to the implementation of this Authority to Construct (ATC), ATC S-3157-31-0 shall be implemented. [District Rule 2201]
2. To maintain status as 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 Rules 4623 and 3020]
3. 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]
4. No air contaminant shall be released into the atmosphere which causes a public nuisance. [District Rule 4102]
5. This tank shall be connected to the tank vapor control system listed on tank permit S-3157-28. [District Rules 2201 and 4623]

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

S-3157-31-1 : Jun 22 2011 9:15AM - ROEDERS : Joint Inspection NOT Required

6. This tank shall be equipped with a vapor recovery system consisting of a closed vent system that collects all VOCs from the storage tank, and a VOC control device. The vapor recovery system shall be APCO-approved and maintained in leak-free condition. The VOC control device shall be either of the following: a vapor return or condensation system that connects to a gas pipeline distribution system, or an approved VOC destruction device that reduces the inlet VOC emissions by at least 99% by weight as determined by the test method specified in Section 6.4.7. [District Rule 4623]
7. The Permittee shall maintain with the permit accurate fugitive component counts, and the resulting emissions from the tank, using "California Implementation Guidelines for Estimating Mass Emissions of Fugitive Hydrocarbon Leaks at Petroleum Facilities", Table IV-2c, "Oil and Gas Production Screening Value Ranges (< 10,000 ppmv) Emission Factors". [District Rule 2201]
8. VOC emission rate from vapor service components associated with this tank shall not exceed 0.4 lb/day. [District Rule 2201]
9. This tank shall be fully enclosed and maintained in a leak-free condition. [District Rules 2201 and 4623]
10. All piping, valves, and fittings shall be constructed and maintained in a leak-free condition. [District Rules 2201 and 4623]
11. A gas leak is defined as a reading in excess of 10,000 ppmv, above background, as measured by a portable hydrocarbon detection instrument in accordance with the procedures specified in EPA Test Method 21. [District Rules 2201 and 4623]
12. The pressure-vacuum relief valve shall be set to within ten (10) percent of the maximum allowable working pressure of the tank. The pressure-vacuum relief valve shall be permanently labeled with the operating pressure settings. The pressure-vacuum relief valve shall be properly installed and 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 set pressure. [District Rule 4623]
13. Any tank gauging or sampling device on a tank vented to the vapor recovery system shall be equipped with a leak-free cover which shall be closed at all times except during gauging or sampling. [District Rule 4623]
14. All piping, fittings, and valves on this tank shall be inspected annually by the facility operator in accordance with EPA Method 21, with the instrument calibrated with methane, to ensure compliance with the leaking provisions of this permit. [District Rule 4623]
15. Operator shall maintain an inspection log containing the following 1) Type of component leaking; 2) Date and time of leak detection, and method of detection; 3) Date and time of leak repair, and emission level of recheck after leak is repaired; 4) Method used to minimize the leak to lowest possible level within 8 hours after detection. [District Rule 4623]
16. Operator shall visually inspect tank shell, hatches, seals, seams, cable seals, valves, flanges, connectors, and any other piping components directly affixed to the tank and within five feet of the tank at least once per year for liquid leaks, and with a portable hydrocarbon detection instrument conducted in accordance with EPA Method 21 for gas leaks. Operator shall also visually or ultrasonically inspect as appropriate, the external shells and roofs of uninsulated tanks for structural integrity annually. [District Rule 4623]
17. Upon detection of a liquid leak, defined as a leak rate of greater than or equal to 30 drops per minute, operator shall repair the leak within 8 hours. For leaks with a liquid leak rate of between 3 and 30 drops per minute, the leaking component shall be repaired within 24 hours after detection. [District Rule 4623]
18. Upon detection of a gas leak, the operator shall take on of the following actions: 1) eliminate the leak within 8 hours after detection; or 2) if the leak cannot be eliminated, then minimize the leak to the lowest possible level within 8 hours after detection by using best maintenance practices, and eliminate the leak within 48 hours after minimization. In no event shall the total time to minimize and eliminate a leak exceed 56 hours after detection. [District Rule 4623]
19. Components found to be leaking either liquids or gases shall be immediately affixed with a tag showing the component to be leaking. Operator shall maintain records of the liquid or gas leak detection readings, date/time the leak was discovered, and date/time the component was repaired to a leak-free condition. [District Rule 4623]

CONDITIONS CONTINUE ON NEXT PAGE

20. Leaking components that have been discovered by the operator that have been immediately tagged and repaired within the timeframes specified in District Rule 4623, Table 3 shall not constitute a violation of this rule. Leaking components as defined by District Rule 4623 discovered by District staff that were not previously identified and/or tagged by the operator, and/or any leaks that were not repaired within the timeframes specified in District Rule 4623, Table 3 shall constitute a violation of this rule. [District Rule 4623]
21. If a component type for a given tank is found to leak during an annual inspection, operator shall conduct quarterly inspections of that component type on the tank or tank system for four consecutive quarters. If no components are found to leak after four consecutive quarters, the operator may revert to annual inspections. [District Rule 4623]
22. Any component found to be leaking on two consecutive annual inspections is in violation of this rule, even if covered under the voluntary inspection and maintenance program. [District Rule 4623]
23. Permittee shall comply with all applicable Tank Interior Cleaning Program requirements specified in Table 3 of Rule 4623. [District Rule 4623]
24. Permittee shall maintain records of annual tank inspections, maintenance, and cleaning to document the participation in the Rule 4623 Fixed Roof Tank Preventative Inspection, Maintenance and Tank Interior Cleaning Program. [District Rule 4623]
25. Operator shall maintain all records of required monitoring data and support information for inspection at any time for a period of five years. [District Rules 1070 and 4623]



## AUTHORITY TO CONSTRUCT

**PERMIT NO:** S-3157-32-1

**ISSUANCE DATE:** 06/22/2011

**LEGAL OWNER OR OPERATOR:** CRIMSON RESOURCE MANAGEMENT  
**MAILING ADDRESS:** ENVIRONMENTAL H & S ENGINEER  
5001 CALIFORNIA AVENUE, SUITE 206  
BAKERSFIELD, CA 93309

**LOCATION:** HEAVY OIL CENTRAL  
CA

**SECTION:** NE 1 **TOWNSHIP:** 29 S **RANGE:** 26 E

**EQUIPMENT DESCRIPTION:**

MODIFICATION OF ONE 500 BBL FIXED ROOF CRUDE OIL STORAGE TANK SERVED BY THE TANK VAPOR CONTROL SYSTEM LISTED ON S-3157-28 (NE BUFFER # 1, ROSEDALE RANCH NE BATTERY): REMOVE TVP LIMIT OF 0.5 PSIA

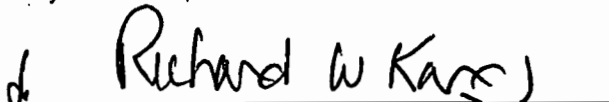
### CONDITIONS

1. Prior to the implementation of this Authority to Construct (ATC), ATC S-3157-32-0 shall be implemented. [District Rule 2201]
2. To maintain status as 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 Rules 4623 and 3020]
3. 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]
4. No air contaminant shall be released into the atmosphere which causes a public nuisance. [District Rule 4102]
5. This tank shall be connected to the tank vapor control system listed on tank permit S-3157-28. [District Rules 2201 and 4623]

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

S-3157-32-1 : Jun 22 2011 @ 15AM - ROEDERS : Joint Inspection NOT Required

6. This tank shall be equipped with a vapor recovery system consisting of a closed vent system that collects all VOCs from the storage tank, and a VOC control device. The vapor recovery system shall be APCO-approved and maintained in leak-free condition. The VOC control device shall be either of the following: a vapor return or condensation system that connects to a gas pipeline distribution system, or an approved VOC destruction device that reduces the inlet VOC emissions by at least 99% by weight as determined by the test method specified in Section 6.4.7. [District Rule 4623]
7. The Permittee shall maintain with the permit accurate fugitive component counts, and the resulting emissions from the tank, using "California Implementation Guidelines for Estimating Mass Emissions of Fugitive Hydrocarbon Leaks at Petroleum Facilities", Table IV-2c, "Oil and Gas Production Screening Value Ranges (< 10,000 ppmv) Emission Factors". [District Rule 2201]
8. VOC emission rate from vapor service components associated with this tank shall not exceed 0.4 lb/day. [District Rule 2201]
9. This tank shall be fully enclosed and maintained in a leak-free condition. [District Rules 2201 and 4623]
10. All piping, valves, and fittings shall be constructed and maintained in a leak-free condition. [District Rules 2201 and 4623]
11. A gas leak is defined as a reading in excess of 10,000 ppmv, above background, as measured by a portable hydrocarbon detection instrument in accordance with the procedures specified in EPA Test Method 21. [District Rules 2201 and 4623]
12. The pressure-vacuum relief valve shall be set to within ten (10) percent of the maximum allowable working pressure of the tank. The pressure-vacuum relief valve shall be permanently labeled with the operating pressure settings. The pressure-vacuum relief valve shall be properly installed and 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 set pressure. [District Rule 4623]
13. Any tank gauging or sampling device on a tank vented to the vapor recovery system shall be equipped with a leak-free cover which shall be closed at all times except during gauging or sampling. [District Rule 4623]
14. All piping, fittings, and valves on this tank shall be inspected annually by the facility operator in accordance with EPA Method 21, with the instrument calibrated with methane, to ensure compliance with the leaking provisions of this permit. [District Rule 4623]
15. Operator shall maintain an inspection log containing the following 1) Type of component leaking; 2) Date and time of leak detection, and method of detection; 3) Date and time of leak repair, and emission level of recheck after leak is repaired; 4) Method used to minimize the leak to lowest possible level within 8 hours after detection. [District Rule 4623]
16. Operator shall visually inspect tank shell, hatches, seals, seams, cable seals, valves, flanges, connectors, and any other piping components directly affixed to the tank and within five feet of the tank at least once per year for liquid leaks, and with a portable hydrocarbon detection instrument conducted in accordance with EPA Method 21 for gas leaks. Operator shall also visually or ultrasonically inspect as appropriate, the external shells and roofs of uninsulated tanks for structural integrity annually. [District Rule 4623]
17. Upon detection of a liquid leak, defined as a leak rate of greater than or equal to 30 drops per minute, operator shall repair the leak within 8 hours. For leaks with a liquid leak rate of between 3 and 30 drops per minute, the leaking component shall be repaired within 24 hours after detection. [District Rule 4623]
18. Upon detection of a gas leak, the operator shall take on of the following actions: 1) eliminate the leak within 8 hours after detection; or 2) if the leak cannot be eliminated, then minimize the leak to the lowest possible level within 8 hours after detection by using best maintenance practices, and eliminate the leak within 48 hours after minimization. In no event shall the total time to minimize and eliminate a leak exceed 56 hours after detection. [District Rule 4623]
19. Components found to be leaking either liquids or gases shall be immediately affixed with a tag showing the component to be leaking. Operator shall maintain records of the liquid or gas leak detection readings, date/time the leak was discovered, and date/time the component was repaired to a leak-free condition. [District Rule 4623]

CONDITIONS CONTINUE ON NEXT PAGE

20. Leaking components that have been discovered by the operator that have been immediately tagged and repaired within the timeframes specified in District Rule 4623, Table 3 shall not constitute a violation of this rule. Leaking components as defined by District Rule 4623 discovered by District staff that were not previously identified and/or tagged by the operator, and/or any leaks that were not repaired within the timeframes specified in District Rule 4623, Table 3 shall constitute a violation of this rule. [District Rule 4623]
21. If a component type for a given tank is found to leak during an annual inspection, operator shall conduct quarterly inspections of that component type on the tank or tank system for four consecutive quarters. If no components are found to leak after four consecutive quarters, the operator may revert to annual inspections. [District Rule 4623]
22. Any component found to be leaking on two consecutive annual inspections is in violation of this rule, even if covered under the voluntary inspection and maintenance program. [District Rule 4623]
23. Permittee shall comply with all applicable Tank Interior Cleaning Program requirements specified in Table 3 of Rule 4623. [District Rule 4623]
24. Permittee shall maintain records of annual tank inspections, maintenance, and cleaning to document the participation in the Rule 4623 Fixed Roof Tank Preventative Inspection, Maintenance and Tank Interior Cleaning Program. [District Rule 4623]
25. Operator shall maintain all records of required monitoring data and support information for inspection at any time for a period of five years. [District Rules 1070 and 4623]



## AUTHORITY TO CONSTRUCT

**PERMIT NO:** S-3157-33-1

**ISSUANCE DATE:** 06/22/2011

**LEGAL OWNER OR OPERATOR:** CRIMSON RESOURCE MANAGEMENT  
**MAILING ADDRESS:** ENVIRONMENTAL H & S ENGINEER  
5001 CALIFORNIA AVENUE, SUITE 206  
BAKERSFIELD, CA 93309

**LOCATION:** HEAVY OIL CENTRAL  
CA

**SECTION:** NE 1 **TOWNSHIP:** 29 S **RANGE:** 26 E

**EQUIPMENT DESCRIPTION:**

MODIFICATION OF ONE 500 BBL FIXED ROOF CRUDE OIL STORAGE TANK SERVED BY THE TANK VAPOR CONTROL SYSTEM LISTED ON S-3157-28 (NE BUFFER #2, ROSEDALE RANCH NE BATTERY): REMOVE TVP LIMIT OF 0.5 PSIA

### CONDITIONS

1. Prior to the implementation of this Authority to Construct (ATC), ATC S-3157-33-0 shall be implemented. [District Rule 2201]
2. To maintain status as 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 Rules 4623 and 3020]
3. 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]
4. No air contaminant shall be released into the atmosphere which causes a public nuisance. [District Rule 4102]
5. This tank shall be connected to the tank vapor control system listed on tank permit S-3157-28. [District Rules 2201 and 4623]

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  
S-3157-33-1: Jun 22 2011 9:15AM - ROEDERB : Joint Inspection NOT Required

6. This tank shall be equipped with a vapor recovery system consisting of a closed vent system that collects all VOCs from the storage tank, and a VOC control device. The vapor recovery system shall be APCO-approved and maintained in leak-free condition. The VOC control device shall be either of the following: a vapor return or condensation system that connects to a gas pipeline distribution system, or an approved VOC destruction device that reduces the inlet VOC emissions by at least 99% by weight as determined by the test method specified in Section 6.4.7. [District Rule 4623]
7. The Permittee shall maintain with the permit accurate fugitive component counts, and the resulting emissions from the tank, using "California Implementation Guidelines for Estimating Mass Emissions of Fugitive Hydrocarbon Leaks at Petroleum Facilities", Table IV-2c, "Oil and Gas Production Screening Value Ranges (< 10,000 ppmv) Emission Factors". [District Rule 2201]
8. VOC emission rate from vapor service components associated with this tank shall not exceed 0.4 lb/day. [District Rule 2201]
9. This tank shall be fully enclosed and maintained in a leak-free condition. [District Rules 2201 and 4623]
10. All piping, valves, and fittings shall be constructed and maintained in a leak-free condition. [District Rules 2201 and 4623]
11. A gas leak is defined as a reading in excess of 10,000 ppmv, above background, as measured by a portable hydrocarbon detection instrument in accordance with the procedures specified in EPA Test Method 21. [District Rules 2201 and 4623]
12. The pressure-vacuum relief valve shall be set to within ten (10) percent of the maximum allowable working pressure of the tank. The pressure-vacuum relief valve shall be permanently labeled with the operating pressure settings. The pressure-vacuum relief valve shall be properly installed and 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 set pressure. [District Rule 4623]
13. Any tank gauging or sampling device on a tank vented to the vapor recovery system shall be equipped with a leak-free cover which shall be closed at all times except during gauging or sampling. [District Rule 4623]
14. All piping, fittings, and valves on this tank shall be inspected annually by the facility operator in accordance with EPA Method 21, with the instrument calibrated with methane, to ensure compliance with the leaking provisions of this permit. [District Rule 4623]
15. Operator shall maintain an inspection log containing the following 1) Type of component leaking; 2) Date and time of leak detection, and method of detection; 3) Date and time of leak repair, and emission level of recheck after leak is repaired; 4) Method used to minimize the leak to lowest possible level within 8 hours after detection. [District Rule 4623]
16. Operator shall visually inspect tank shell, hatches, seals, seams, cable seals, valves, flanges, connectors, and any other piping components directly affixed to the tank and within five feet of the tank at least once per year for liquid leaks, and with a portable hydrocarbon detection instrument conducted in accordance with EPA Method 21 for gas leaks. Operator shall also visually or ultrasonically inspect as appropriate, the external shells and roofs of uninsulated tanks for structural integrity annually. [District Rule 4623]
17. Upon detection of a liquid leak, defined as a leak rate of greater than or equal to 30 drops per minute, operator shall repair the leak within 8 hours. For leaks with a liquid leak rate of between 3 and 30 drops per minute, the leaking component shall be repaired within 24 hours after detection. [District Rule 4623]
18. Upon detection of a gas leak, the operator shall take on of the following actions: 1) eliminate the leak within 8 hours after detection; or 2) if the leak cannot be eliminated, then minimize the leak to the lowest possible level within 8 hours after detection by using best maintenance practices, and eliminate the leak within 48 hours after minimization. In no event shall the total time to minimize and eliminate a leak exceed 56 hours after detection. [District Rule 4623]
19. Components found to be leaking either liquids or gases shall be immediately affixed with a tag showing the component to be leaking. Operator shall maintain records of the liquid or gas leak detection readings, date/time the leak was discovered, and date/time the component was repaired to a leak-free condition. [District Rule 4623]

CONDITIONS CONTINUE ON NEXT PAGE



20. Leaking components that have been discovered by the operator that have been immediately tagged and repaired within the timeframes specified in District Rule 4623, Table 3 shall not constitute a violation of this rule. Leaking components as defined by District Rule 4623 discovered by District staff that were not previously identified and/or tagged by the operator, and/or any leaks that were not repaired within the timeframes specified in District Rule 4623, Table 3 shall constitute a violation of this rule. [District Rule 4623]
21. If a component type for a given tank is found to leak during an annual inspection, operator shall conduct quarterly inspections of that component type on the tank or tank system for four consecutive quarters. If no components are found to leak after four consecutive quarters, the operator may revert to annual inspections. [District Rule 4623]
22. Any component found to be leaking on two consecutive annual inspections is in violation of this rule, even if covered under the voluntary inspection and maintenance program. [District Rule 4623]
23. Permittee shall comply with all applicable Tank Interior Cleaning Program requirements specified in Table 3 of Rule 4623. [District Rule 4623]
24. Permittee shall maintain records of annual tank inspections, maintenance, and cleaning to document the participation in the Rule 4623 Fixed Roof Tank Preventative Inspection, Maintenance and Tank Interior Cleaning Program. [District Rule 4623]
25. Operator shall maintain all records of required monitoring data and support information for inspection at any time for a period of five years. [District Rules 1070 and 4623]



## AUTHORITY TO CONSTRUCT

**PERMIT NO:** S-3157-35-0

**ISSUANCE DATE:** 06/22/2011

**LEGAL OWNER OR OPERATOR:** CRIMSON RESOURCE MANAGEMENT  
**MAILING ADDRESS:** ENVIRONMENTAL H & S ENGINEER  
5001 CALIFORNIA AVENUE, SUITE 206  
BAKERSFIELD, CA 93309

**LOCATION:** HEAVY OIL CENTRAL  
CA

**SECTION: 1 TOWNSHIP: 29S RANGE: 26E**

**EQUIPMENT DESCRIPTION:**  
21.2 MMBTU/HR FLARE SERVING THE TANK VAPOR CONTROL SYSTEMS LISTED ON PERMITS '-11, '-25, AND '-28

### CONDITIONS

1. Authorities to Construct (ATCs) S-3157-7-1 and 9-1 shall be implemented prior to or concurrently with the implementation of this ATC. [District Rule 2201]
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. No air contaminant shall be released into the atmosphere which causes a public nuisance. [District Rule 4102]
4. Particulate matter emissions shall not exceed 0.1 grains/dscf in concentration. [District Rule 4201]
5. Maximum flare heat input shall not exceed 21.2 MMBtu/hr. [District Rule 2201]
6. Emissions shall not exceed any of the following limits: 0.068 lb<sub>u</sub>NO<sub>x</sub>/MMBtu, 0.0038 lb<sub>u</sub>SO<sub>x</sub>/MMBtu, 0.026 lb<sub>u</sub>PM<sub>10</sub>/MMBtu, 0.37 lb<sub>u</sub>CO/MMBtu or 0.063 lb<sub>u</sub>VOC/MMBtu. [District Rule 2201]
7. The sulfur content of the gas being incinerated shall not exceed 1 grain total Sulfur per 100 scf of gas. [District Rule 2201]
8. The flame shall be present at all times when combustible gases are vented through the flare. [District Rule 4311]
9. The outlet shall be equipped with an automatic ignition system. [District Rule 4311]

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

S-3157-35-0 : Jun 22 2011 9:15AM - ROEDERS : Joint Inspection NOT Required

10. Flares that use flow-sensing automatic ignition systems and which do not use a continuous flame pilot shall use purge gas for purging. [District Rule 4311]
11. Effective on and after July 1, 2011, flaring is prohibited unless it is consistent with an approved flare minimization plan (FMP), pursuant to Section 6.5, and all commitments listed in that plan have been met. This standard shall not apply if the APCO determines that the flaring is caused by an emergency as defined by Section 3.7 and is necessary to prevent an accident, hazard or release of vent gas directly to the atmosphere. [District Rule 4311]
12. The operator shall submit a flare minimization plan to the District for approval that includes all of the data required under Section 6.5 of Rule 4311 prior to installing the equipment authorized by this Authority to Construct. [District Rule 4311]
13. Effective on and after July 1, 2011, the operator of a flare subject to flare minimization requirements pursuant to Section 5.8 shall monitor the vent gas flow to the flare with a flow measuring device. [District Rule 4311]
14. Records of the gas sulfur content and required gas flow measurements shall be maintained, retained for a period of at least five years, and made available for District inspection upon request. [District Rule 1070]