



FEB 22 2011

Greg Youngblood
E&B Natural Resources
34740 Merced Avenue
Bakersfield, CA 93308

RE: Notice of Final Action - Authority to Construct
Project Number: S-1103331

Dear Mr. Youngblood:

The Air Pollution Control Officer has issued Authority to Construct permits to E&B Natural Resources for installing one 2,000 bbl crude oil stock tank (S-1624-187-0) equipped with a PV vent and decreasing the potential tank throughput of tank S-1624-9-2 from 2000 BBLs/day (one tank capacity) to 1500 BBLs/day, at the Poso Creek-Section 5 Lease (Section 5, Township 28S, Range 27E) in Kern County.

Enclosed is 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 December 28, 2010. The District's analysis of the proposal was also sent to CARB on December 22, 2010. 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: SDD/cm

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



FEB 22 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-1103331

Dear Mr. Tollstrup:

The Air Pollution Control Officer has issued Authority to Construct permits to E&B Natural Resources for installing one 2,000 bbl crude oil stock tank (S-1624-187-0) equipped with a PV vent and decreasing the potential tank throughput of tank S-1624-9-2 from 2000 BBLs/day (one tank capacity) to 1500 BBLs/day, at the Poso Creek-Section 5 Lease (Section 5, Township 28S, Range 27E) 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 December 28, 2010. The District's analysis of the proposal was also sent to CARB on December 22, 2010. 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.

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**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 E&B Natural Resources for installing one 2,000 bbl crude oil stock tank (S-1624-187-0) equipped with a PV vent and decreasing the potential tank throughput of tank S-1624-9-2 from 2000 BBLs/day (one tank capacity) to 1500 BBLs/day, at the Poso Creek-Section 5 Lease (Section 5, Township 28S, Range 27E) in Kern County.

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

The application review for Project #S-1103331 is available for public inspection at 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-1624-9-2

ISSUANCE DATE: 02/07/2011

LEGAL OWNER OR OPERATOR: E&B NATURAL RESOURCES MGMT
MAILING ADDRESS: ATTN: GREG YOUNGBLOOD
1600 NORRIS ROAD
BAKERSFIELD, CA 93308

LOCATION: HEAVY OIL CENTRAL
CA

SECTION: 5 TOWNSHIP: 28S RANGE: 27E

EQUIPMENT DESCRIPTION:

MODIFICATION OF 2000 BBL FIXED ROOF PETROLEUM STORAGE TANK TK-6 (POSO CREEK - SEC 5): REDUCE THROUGHPUT ON EXISTING TANK TO 1500 BBL/DAY

CONDITIONS

1. No air contaminant shall be released into the atmosphere which causes a public nuisance. [District Rule 4102]
2. To maintain status as a small producer, permittee's crude oil production shall average less than 6000 bbl/day from all operations within Kern County and permittee shall not engage in refining, transporting, or marketing of refined petroleum products. [District Rules 3020 & 4623]
3. When this tank is not operated (dormant for Rule 4623), all liquids shall be removed and the produced crude oil inlet line shall be physically disconnected. [District Rule 2080]
4. Results of TVP test on material introduced to this tank upon reactivation shall be submitted to the District within 60 days of recommencing operation of this tank. [District Rule 2080]
5. Permittee shall notify the District at least seven (7) calendar days prior to recommencing operation. [District Rule 1070]
6. VOC emission rate from the tank shall not exceed 80.6 lb/day. [District Rule 2201]
7. Fluid throughput shall not exceed 1500 bbl/day. [District Rule 2201]
8. This tank shall only store, place, or hold organic liquid with a true vapor pressure (TVP) of less than 0.5 psia under all storage conditions. [District Rule 4623]

CONDITIONS CONTINUE ON NEXT PAGE

YOU **MUST** NOTIFY THE DISTRICT COMPLIANCE DIVISION AT (661) 392-5600 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-1624-9-2: Feb 7 2011 12:01PM - DAVIDS08 : Joint Inspection NOT Required

9. Permittee shall conduct true vapor pressure (TVP) testing of the organic liquid stored in this tank at least once every 24 months during summer (July - September), and/or whenever there is a change in the source or type of organic liquid stored in this tank in order to maintain exemption from the rule. [District Rule 4623]
10. Instead of testing each uncontrolled fixed roof tank, the permittee may conduct a TVP test of the organic liquid stored in a representative tank provided the requirements of Sections 6.2.1.1.1 through 6.2.1.1.5 of Rule 4623 are met. [District Rule 4623]
11. The API gravity of crude oil or petroleum distillate shall be determined by using ASTM Method D 287 e1 "Standard Test Method for API Gravity of Crude Petroleum and Petroleum Products (Hydrometer Method). Sampling for API gravity shall be performed in accordance with ASTM Method D 4057 "Standard Practices for Manual Sampling of Petroleum and Petroleum Products." [District Rule 4623]
12. For crude oil with an API gravity of 26 degrees or less, the TVP shall be determined using the latest version of the Lawrence Berkeley National Laboratory "test Method for Vapor pressure of Reactive Organic Compounds in Heavy Crude Oil Using Gas Chromatograph", as approved by ARB and EPA. [District Rule 4623]
13. The TVP testing shall be conducted at actual storage temperature of the organic liquid in the tank. The permittee shall also conduct an API gravity testing. [District Rule 4623]
14. Permittee shall submit the records of TVP and API gravity testing to the APCO within 45 days after the date of testing. The records shall include the tank identification number, Permit to Operate number, type of stored organic liquid, TVP and API gravity of the organic liquid, test methods used, and a copy of the test results. [District Rule 4623]
15. The permittee shall keep accurate records of each organic liquid stored in the tank, including its storage temperature, TVP, and API gravity. [District Rule 4623]
16. All records required to be maintained by this permit shall be maintained for a period of at least five years and shall be made readily available for District inspection upon request. [District Rule 4623]



AUTHORITY TO CONSTRUCT

PERMIT NO: S-1624-187-0

ISSUANCE DATE: 02/07/2011

LEGAL OWNER OR OPERATOR: E&B NATURAL RESOURCES MGMT
MAILING ADDRESS: ATTN: GREG YOUNGBLOOD
1600 NORRIS ROAD
BAKERSFIELD, CA 93308

LOCATION: HEAVY OIL CENTRAL
CA

SECTION: 5 TOWNSHIP: 28S RANGE: 27E

EQUIPMENT DESCRIPTION:
2000 BBL FIXED ROOF CRUDE OIL STORAGE TANK WITH P/V VENT

CONDITIONS

1. No air contaminant shall be released into the atmosphere which causes a public nuisance. [District Rule 4102]
2. To maintain status as a small producer, permittee's crude oil production shall average less than 6000 bbl/day from all operations within Kern County and permittee shall not engage in refining, transporting, or marketing of refined petroleum products. [District Rules 3020 & 4623]
3. This tank shall only store, place, or hold organic liquid with a true vapor pressure (TVP) of less than 0.2 psia under all storage conditions. [District Rules 2201 and 4623]
4. VOC emission rate from the tank shall not exceed 6.2 lb/day. [District Rule 2201]
5. Fluid throughput shall not exceed 200 bbl/day. [District Rule 2201]
6. Permittee shall conduct true vapor pressure (TVP) testing of the organic liquid stored in this tank at least once every 24 months during summer (July - September), and/or whenever there is a change in the source or type of organic liquid stored in this tank in order to maintain exemption from the rule. [District Rule 4623]
7. Instead of testing each uncontrolled fixed roof tank, the permittee may conduct a TVP test of the organic liquid stored in a representative tank provided the requirements of Sections 6.2.1.1.1 through 6.2.1.1.5 of Rule 4623 are met. [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-1624-187-0 : Feb 7 2011 12:02PM - DAVIDSOS : Joint Inspection NOT Required

8. The API gravity of crude oil or petroleum distillate shall be determined by using ASTM Method D 287 e1 "Standard Test Method for API Gravity of Crude Petroleum and Petroleum Products (Hydrometer Method). Sampling for API gravity shall be performed in accordance with ASTM Method D 4057 "Standard Practices for Manual Sampling of Petroleum and Petroleum Products." [District Rule 4623]
9. For crude oil with an API gravity of 26 degrees or less, the TVP shall be determined using the latest version of the Lawrence Berkeley National Laboratory "test Method for Vapor pressure of Reactive Organic Compounds in Heavy Crude Oil Using Gas Chromatograph", as approved by ARB and EPA. [District Rule 4623]
10. The TVP testing shall be conducted at actual storage temperature of the organic liquid in the tank. The permittee shall also conduct an API gravity testing. [District Rule 4623]
11. Permittee shall submit the records of TVP and API gravity testing to the APCO within 45 days after the date of testing. The records shall include the tank identification number, Permit to Operate number, type of stored organic liquid, TVP and API gravity of the organic liquid, test methods used, and a copy of the test results. [District Rule 4623]
12. Permittee shall maintain monthly records of average daily crude oil throughput and shall keep accurate records of each organic liquid stored in the tank, including its storage temperature, TVP, and API gravity. [District Rule 4623]
13. All records required to be maintained by this permit shall be maintained for a period of at least five years and shall be made readily available for District inspection upon request. [District Rule 4623]
14. Authority to Construct S-1624-9-2 shall be implemented prior to or concurrently with this ATC [District Rule 2201]