



MAR 06 2012

Mr. Jason Donchin
Chevron USA Inc
PO Box 1392
Bakersfield, CA 93302

**Re: Final - Authority to Construct / COC (Significant Mod)
District Facility # S-2010
Project # S1092524**

Dear Mr. Donchin:

The Air Pollution Control Officer has issued Authorities to Construct (S-2010-274-0 through S-2010-284-0) with Certificates of Conformity to Chevron USA Inc in the Lost Hills oilfields in the light oil production stationary source within the western Kern County fields. The project authorizes the installation of ten (10) new 85 MMBtu/hr and one (1) new 62.5 MMBtu/hr natural gas-fired steam generators.

Please note that after the preliminary decision, the ATCs were revised to include commissioning period conditions.

Enclosed are the Authorities to Construct. The application and proposal were sent to US EPA Region IX on December 23, 2011. No comments were received following the District's preliminary decision on this project.

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

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

Thank you for your cooperation in this matter. If you have any questions, please contact Mr. Leonard Scandura, Permit Services Manager, at (661) 392-5500.

Sincerely,



David Warner
Director of Permit Services

DW: RUE/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
www.valleyair.org www.healthyliving.com

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



MAR 06 2012

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

**Re: Final - Authority to Construct / COC (Significant Mod)
District Facility # S-2010
Project # S1092524**

Dear Mr. Rios:

The Air Pollution Control Officer has issued Authorities to Construct (S-2010-274-0 through S-2010-284-0) with Certificates of Conformity to Chevron USA Inc in the Lost Hills oilfields in the light oil production stationary source within the western Kern County fields. The project authorizes the installation of ten (10) new 85 MMBtu/hr and one (1) new 62.5 MMBtu/hr natural gas-fired steam generators.

Please note that after the preliminary decision, the ATCs were revised to include commissioning period conditions.

Enclosed is a copy of the Authorities to Construct. The application and proposal were sent to US EPA Region IX on December 23, 2011. No comments were received following the District's preliminary decision on this project.

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

Thank you for your cooperation in this matter. If you have any questions, please contact Mr. Leonard Scandura, Permit Services Manager, at (661) 392-5500.

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MAR 06 2012

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

**Re: Final - Authority to Construct / COC (Significant Mod)
District Facility # S-2010
Project # S1092524**

Dear Mr. Tollstrup:

The Air Pollution Control Officer has issued Authorities to Construct (S-2010-274-0 through S-2010-284-0) with Certificates of Conformity to Chevron USA Inc in the Lost Hills oilfields in the light oil production stationary source within the western Kern County fields. The project authorizes the installation of ten (10) new 85 MMBtu/hr and one (1) new 62.5 MMBtu/hr natural gas-fired steam generators.

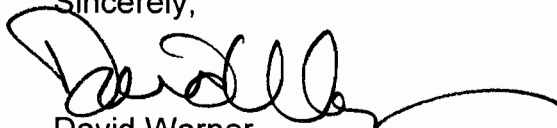
Please note that after the preliminary decision, the ATCs were revised to include commissioning period conditions.

Enclosed is a copy of the Authorities to Construct. The application and proposal were sent to US EPA Region IX on December 23, 2011. No comments were received following the District's preliminary decision on this project.

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

Thank you for your cooperation in this matter. If you have any questions, please contact Mr. Leonard Scandura, Permit Services Manager, at (661) 392-5500.

Sincerely,



David Warner
Director of Permit Services

DW: RUE/cm

Enclosures

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Executive Director/Air Pollution Control Officer

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Tel: 661-392-5500 FAX: 661-392-5585

Bakersfield Californian

**NOTICE OF FINAL DECISION
FOR THE ISSUANCE OF AUTHORITY TO CONSTRUCT AND
THE PROPOSED SIGNIFICANT MODIFICATION OF FEDERALLY
MANDATED OPERATING PERMIT**

NOTICE IS HEREBY GIVEN that the San Joaquin Valley Air Pollution Control District has made its final decision to issue Authorities to Construct to Chevron USA Inc. for steam production operation located in the Lost Hills oilfields in the light oil production stationary source within the western Kern County fields, California. The project authorizes the installation of ten (10) new 85 MMBtu/hr and one (1) new 62.5 MMBtu/hr natural gas-fired steam generators.

Please note that after the preliminary decision, the ATCs were revised to include commissioning period conditions.

The District's analysis of the legal and factual basis for this proposed action, project #S1092524, is available for public inspection at the District office at the address below. For additional information regarding this matter, please contact Mr. Leonard Scandura, Permit Services Manager, at (661) 392-5500, or contact David Warner, Director of Permit Services, in writing at SAN JOAQUIN VALLEY AIR POLLUTION CONTROL DISTRICT, 1990 E. GETTYSBURG AVE, FRESNO, CA 93726-0244.



AUTHORITY TO CONSTRUCT

PERMIT NO: S-2010-274-0

ISSUANCE DATE: 03/01/2012

LEGAL OWNER OR OPERATOR: CHEVRON USA INC
MAILING ADDRESS: PO BOX 1392
BAKERSFIELD, CA 93302

LOCATION: LIGHT OIL WESTERN STATIONARY SOURCE
CA

EQUIPMENT DESCRIPTION:
85 MMBTU/HR NATURAL GAS-FIRED STEAM GENERATOR WITH NORTH AMERICAN MODEL 4231-85-GLE LOW-NOX BURNER ASSEMBLY, OR EQUIVALENT LOW-NOX BURNER, WITH FLUE GAS RECIRCULATION, APPROVED TO OPERATE AT VARIOUS LOCATIONS

CONDITIONS

1. This Authority to Construct serves as a written certificate of conformity with the procedural requirements of 40 CFR 70.7 and 70.8 and with the compliance requirements of 40 CFR 70.6(c). [District Rule 2520] Federally Enforceable Through Title V Permit
2. Prior to operating with modifications authorized by this Authority to Construct, the facility shall submit an application to modify the Title V permit with an administrative amendment in accordance with District Rule 2520 Section 5.3.4. [District Rule 2520, 5.3.4] Federally Enforceable Through Title V Permit
3. Chevron will surrender ERCs sufficient to offset operational emissions as required by District NSR requirements. [Public Resources Code 21000-21177: California Environmental Quality Act]
4. A qualified registered biologist will conduct a focused pre-construction survey to determine the presence/absence of potential impacts on sensitive species prior to the onset of ground disturbance. The survey shall be conducted in accordance with the standard protocol of the USFWS and CDFG. If more than 30 days pass before the onset of ground disturbance, an additional survey shall be conducted by a Certified Biological Representative within 30 days prior to the onset of ground disturbance. [Public Resources Code 21000-21177: California Environmental Quality Act]

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-2010-274-0 : Mar 1 2012 9:02AM -- EDGEHILR : Joint Inspection NOT Required

5. If sensitive species or their nests/dens are detected in the pre-construction survey, the appropriate standardized avoidance measures will be implemented to preclude take of the species. If standardized avoidance measures cannot be achieved Chevron will consult with the CDFG and USFWS to develop alternative compliance measures. If standardized avoidance measures fail and there is a take of a threatened or endangered species Chevron will notify USFWS and CDFG immediately. [Public Resources Code 21000-21177: California Environmental Quality Act]
6. A qualified registered biologist will conduct a focused pre-construction survey to determine the presence/absence of potential impacts on riparian habitats, sensitive natural communities and wetlands prior to the onset of ground disturbance. The survey shall be conducted in accordance with the standard protocol of the USFWS and CDFG. If more than 30 days pass before the onset of ground disturbance, an additional survey shall be conducted by a Certified Biological Representative within 30 days prior to the onset of ground disturbance. [Public Resources Code 21000-21177: California Environmental Quality Act]
7. A qualified registered biologist will conduct a focused pre-construction survey to determine the presence/absence of potential impacts on migratory corridors prior to the onset of ground disturbance. The survey shall be conducted in accordance with the standard protocol of the USFWS and CDFG. If more than 30 days pass before the onset of ground disturbance, an additional survey shall be conducted by a Certified Biological Representative within 30 days prior to the onset of ground disturbance. [Public Resources Code 21000-21177: California Environmental Quality Act]
8. In the event that archaeological/paleontological resources are discovered during ground-disturbing activities associated with construction of the proposed Project, all work within 100 feet of the find shall cease. Chevron will notify and retain a qualified archaeologist/paleontologist to assess and provide an evaluation of the significance of the find. Chevron shall determine whether avoidance is necessary and feasible in light of the factors such as the nature of the find, project design, costs, and other considerations, and, if necessary, develop appropriate mitigation measures in consultation with Kern County and other appropriate agencies and individuals. Work may resume on the Project site once the evaluation of the find is complete by the qualified archaeologist/paleontologist. [Public Resources Code 21000-21177: California Environmental Quality Act]
9. In the event that human remains are discovered during construction of the Project, all work within 100 feet shall be ceased and the discovery will immediately be reported to the County Coroner. If the remains are determined to be Native American in origin, the County Coroner shall notify the Native American Heritage Commission (NAHC) within 24 hours of the determination. The NAHC will solicit those persons it believe to be the nearest descendants of the remains for recommendations. Chevron shall, in consultation with the identified descendants of the remains and/or NAHC, will identify the appropriate measures for the treatment or disposition of the remains. [Public Resources Code 21000-21177: California Environmental Quality Act]
10. Prior to the start of construction activities, Chevron shall provide the District with documentation demonstrating that maps identifying all wells in the vicinity of the sites have been submitted to DOGGR for compliance with DOGGR's "Well Review Program". [Public Resources Code 21000-21177: California Environmental Quality Act]
11. During construction activities, if unknown, unrecorded or abandoned wells are discovered or if any wells are damaged, Chevron shall immediately notify DOGGR. [Public Resources Code 21000-21177: California Environmental Quality Act]
12. Any wells discovered or exposed during construction activities will be tested for flammable vapors. [Public Resources Code 21000-21177: California Environmental Quality Act]
13. This steam generator is permitted to operate at the following locations: Section 29 T26S/R21E, SE, SW Section 32, T26S/R21E, and NW, SW Section 33 T26S/R21E. [District Rule 4102] Federally Enforceable Through Title V Permit
14. The permittee shall notify the District Compliance Division of each location at which the operation is located in excess of 24 hours. Such notification shall be made no later than 48 hours after starting operation at the location. [District Rule 1070] Federally Enforceable Through Title V Permit
15. The permittee shall obtain written District approval for the use of any equivalent equipment not specifically approved by this Authority to Construct. Approval of the equivalent equipment shall be made only after the District's determination that the submitted design and performance of the proposed alternate equipment is equivalent to the specifically authorized equipment. [District Rule 2201] Federally Enforceable Through Title V Permit

CONDITIONS CONTINUE ON NEXT PAGE

16. The permittee's request for approval of equivalent equipment shall include the make, model, manufacturer's maximum rating, manufacturer's guaranteed emission rates, equipment drawing(s), and operational characteristics/parameters. [District Rule 2010] Federally Enforceable Through Title V Permit
17. Alternate equipment shall be of the same class and category of source as the equipment authorized by the Authority to Construct. [District Rule 2201] Federally Enforceable Through Title V Permit
18. No emission factor and no emission shall be greater for the alternate equipment than for the proposed equipment. No changes in the hours of operation, operating rate, throughput, or firing rate may be authorized for any alternate equipment. [District Rule 2201] Federally Enforceable Through Title V Permit
19. Flue gas recirculation (FGR) shall be utilized in conjunction with low-NO_x burner to maintain ongoing compliance with permitted emission limits. [District Rule 2201] Federally Enforceable Through Title V Permit
20. Natural gas fuel sulfur content shall not exceed 1.0 grains-S/100 scf. [District Rule 2201] Federally Enforceable Through Title V Permit
21. The maximum duration of commissioning, i.e. adjustment and tuning of the unit for proper operation and compliance with permitted emissions limits, shall not exceed 60 days from initial startup. [District Rule 2080] Federally Enforceable Through Title V Permit
22. Total duration of startup, shutdown, commissioning, refractory curing operation shall not exceed 300 hours per calendar year. Permittee shall maintain records of the date and duration of each activity and the total hours of such operation for the calendar year. [District Rule 2080] Federally Enforceable Through Title V Permit
23. Permittee shall submit written notification to the District prior to commissioning or refractory curing activities. Such notification shall include anticipated beginning and ending dates of such activities. [District Rule 2080] Federally Enforceable Through Title V Permit
24. Emission rates shall not exceed any of the following: PM₁₀: 0.0032 lb/MMBtu; or VOC: 0.0055 lb/MMBtu. [District Rule 2201] Federally Enforceable Through Title V Permit
25. Emission rates, except during startup, shutdown, commissioning, and refractory curing shall not exceed: NO_x (as NO₂): 7 ppmvd @ 3% O₂ or 0.0085 lb/MMBtu; or CO: 25 ppmvd @ 3% O₂ or 0.0185 lb/MMBtu. [District Rules 2201, 4305, 4306, and 4320] Federally Enforceable Through Title V Permit
26. Duration of start-up and shutdown shall not exceed 2 hours each per occurrence. [District Rules 2201, 4305, 4306, and 4320] Federally Enforceable Through Title V Permit
27. If the unit is fired on noncertified gaseous fuel and compliance with SO_x emission limits is achieved through fuel sulfur content limitations, then the sulfur content of the gaseous fuel being fired in the unit shall be determined using ASTM D 1072, D 3031, D 3246, D 4084, D 4468, D 6667 or grab sample analysis by GC-FPD/TCD performed in the laboratory. [District Rule 1070, 2201, and 4320] Federally Enforceable Through Title V Permit
28. When complying with sulfur emission limits by fuel analysis or by a combination of source testing and fuel analysis, each fuel source shall be tested weekly for sulfur content and higher heating value. If compliance with the fuel sulfur content limit and sulfur emission limits has been demonstrated for 8 consecutive weeks for a fuel source, then the fuel testing frequency shall be semi-annually. If a semi-annual fuel content source test fails to show compliance, weekly testing shall resume. [District Rules 1070, 2201, and 4320] Federally Enforceable Through Title V Permit
29. If fuel analysis is used to demonstrate compliance with conditions of this permit, the fuel higher heating value for each fuel shall be certified by a third party fuel supplier or determined by ASTM D 1826 or D 1945 in conjunction with ASTM D 3588 for gaseous fuels. [District Rules 1070, 2201, and 4320] Federally Enforceable Through Title V Permit
30. The permittee shall monitor and record the stack concentration of NO_x, CO, and O₂ at least once every month (in which a source test is not performed) using a portable emission monitor that meets District specifications. Monitoring shall not be required if the unit is not in operation, i.e. the unit need not be started solely to perform monitoring. Monitoring shall be performed within 5 days of restarting the unit unless monitoring has been performed within the last month. [District Rules 2520, 4305, 4306, and 4320] Federally Enforceable Through Title V Permit

CONDITIONS CONTINUE ON NEXT PAGE

31. If either the NO_x or CO concentrations corrected to 3% O₂, as measured by the portable analyzer, exceed the allowable emissions concentration, the permittee shall return the emissions to within the acceptable range as soon as possible, but no longer than 1 hour of operation after detection. If the portable analyzer readings continue to exceed the allowable emissions concentration after 1 hour of operation after detection, the permittee shall notify the District within the following 1 hour and conduct a certified source test within 60 days of the first exceedance. In lieu of conducting a source test, the permittee may stipulate a violation has occurred, subject to enforcement action. The permittee must then correct the violation, show compliance has been re-established, and resume monitoring procedures. If the deviations are the result of a qualifying breakdown condition pursuant to Rule 1100, the permittee may fully comply with Rule 1100 in lieu of the performing the notification and testing required by this condition. [District Rules 2520, 4305, 4306, and 4320] Federally Enforceable Through Title V Permit
32. All alternate monitoring parameter emission readings shall be taken with the unit operating either at conditions representative of normal operations or conditions specified in the Permit to Operate. The analyzer shall be calibrated, maintained, and operated in accordance with the manufacturer's specifications and recommendations or a protocol approved by the APCO. Emission readings taken shall be averaged over a 15 consecutive-minute period by either taking a cumulative 15 consecutive-minute sample reading or by taking at least five (5) readings, evenly spaced out over the 15 consecutive-minute period. [District Rules 2520, 4305, 4306, and 4320] Federally Enforceable Through Title V Permit
33. The permittee shall maintain records of: (1) the date and time of NO_x, CO, and O₂ measurements, (2) the O₂ concentration in percent and the measured NO_x and CO concentrations corrected to 3% O₂, (3) make and model of exhaust gas analyzer, (4) exhaust gas analyzer calibration records, and (5) a description of any corrective action taken to maintain the emissions within the acceptable range. [District Rules 2520, 4305, 4306, and 4320] Federally Enforceable Through Title V Permit
34. Compliance demonstration (source testing) shall be by District witnessed, or authorized, sample collection by ARB certified laboratory. [District Rule 1081] Federally Enforceable Through Title V Permit
35. All required source testing shall conform to the compliance testing procedures described in District Rule 1081 (Amended December 16, 1993). [District Rule 1081, and County Rules 108 (Kings), 108.1 (Fresno, Merced, San Joaquin, Tulare, Kern, and Stanislaus), and 110 (Madera)] Federally Enforceable Through Title V Permit
36. Source testing to measure NO_x and CO emissions from this unit shall be conducted within 60 days of initial start-up. [District Rules 2201, 4305, 4306, and 4320] Federally Enforceable Through Title V Permit
37. Source testing to measure natural gas-combustion NO_x and CO emissions from this unit shall be conducted at least once every twelve (12) months. After demonstrating compliance on two (2) consecutive annual source tests, the unit shall be tested not less than once every thirty-six (36) months. If the result of the 36-month source test demonstrates that the unit does not meet the applicable emission limits, the source testing frequency shall revert to at least once every twelve (12) months. [District Rules 2201, 4305, 4306, and 4320] Federally Enforceable Through Title V Permit
38. The source test plan shall identify which basis (ppmv or lb/MMBtu) will be used to demonstrate compliance. [District Rules 4305, 4306, and 4320] Federally Enforceable Through Title V Permit
39. Source testing shall be conducted using the methods and procedures approved by the District. The District must be notified at least 30 days prior to any compliance source test, and a source test plan must be submitted for approval at least 15 days prior to testing. [District Rule 1081] Federally Enforceable Through Title V Permit
40. The following test methods shall be used: NO_x (ppmv) - EPA Method 7E or ARB Method 100, NO_x (lb/MMBtu) - EPA Method 19, CO (ppmv) - EPA Method 10 or 10B or ARB Method 100, stack gas oxygen - EPA Method 3 or 3A or ARB Method 100, SO_x (lb/MMBtu) - ARB Method 8 or 100 or EPA Method 6, 6B, 6C, or 8, or fuel gas sulfur content analysis and EPA Method 19, fuel gas sulfur content - ASTM D1072, D3031, D3246, D4084, D4468, D6667 or double GC for H₂S and mercaptans performed in laboratory, fuel gas hhv - ASTM D1826 or D1945 in conjunction with ASTM D3588. [District Rules 1081, 4305, 4306, and 4320] Federally Enforceable Through Title V Permit
41. For emissions source testing, the arithmetic average of three 30-consecutive-minute test runs shall apply. If two of three runs are above an applicable limit the test cannot be used to demonstrate compliance with an applicable limit. [District Rules 4305, 4306, and 4320] Federally Enforceable Through Title V Permit

CONDITIONS CONTINUE ON NEXT PAGE

42. All emissions measurements shall be made with the unit operating either at conditions representative of normal operations or conditions specified in the Permit to Operate. No determination of compliance shall be established within two hours after a continuous period in which fuel flow to the unit is shut off for 30 minutes or longer, or within 30 minutes after a re-ignition as defined in District Rules 4306 and 4320. [District Rules 4305, 4306, and 4320] Federally Enforceable Through Title V Permit
43. The results of each source test shall be submitted to the District within 60 days thereafter. [District Rule 1081] Federally Enforceable Through Title V Permit
44. Copies of all gas purchase contracts, supplier certifications, and test results to determine compliance with the conditions of this permit shall be maintained. The operator shall record daily amount and type(s) of fuel(s) combusted, fuel sources, and all dates on which unit is fired on any noncertified fuel and record specific type of noncertified fuel used. [District Rule 2520, 9.4.2] Federally Enforceable Through Title V Permit
45. Prior to operating equipment under this Authority to Construct, permittee shall surrender emission reduction credits for the following quantities of emissions: NOx: 2374 lb/quarter; PM10: 894 lb/quarter, and VOC: 1536 lb/qtr. Offsets include the applicable offset ratio specified in Section 4.8 of Rule 2201 (as amended 9/21/06). [District Rule 2201] Federally Enforceable Through Title V Permit
46. ERC Certificate Numbers S-3629-2 (NOx), S-3145-1 (VOC), and S-3598-4 (PM10) (or certificates split from these certificates) shall be used to supply the required offsets, unless a revised offsetting proposal is received and approved by the District, upon which this Authority to Construct shall be reissued, administratively specifying the new offsetting proposal. Original public noticing requirements, if any, shall be duplicated prior to reissuance of this Authority to Construct. [District Rule 2201] Federally Enforceable Through Title V Permit
47. Permittee shall maintain a record of the duration of each startup of this unit. [District Rule 4306] Federally Enforceable Through Title V Permit
48. All records shall be maintained and retained on-site for a period of at least 5 years and shall be made available for District inspection upon request. [District Rule 1070, 4305, 4306, and 4320] Federally Enforceable Through Title V Permit



AUTHORITY TO CONSTRUCT

PERMIT NO: S-2010-275-0

ISSUANCE DATE: 03/01/2012

LEGAL OWNER OR OPERATOR: CHEVRON USA INC
MAILING ADDRESS: PO BOX 1392
BAKERSFIELD, CA 93302

LOCATION: LIGHT OIL WESTERN STATIONARY SOURCE
CA

EQUIPMENT DESCRIPTION:

85 MMBTU/HR NATURAL GAS-FIRED STEAM GENERATOR WITH NORTH AMERICAN MODEL 4231-85-GLE LOW-NOX BURNER ASSEMBLY, OR EQUIVALENT LOW-NOX BURNER, WITH FLUE GAS RECIRCULATION, APPROVED TO OPERATE AT VARIOUS LOCATIONS

CONDITIONS

1. This Authority to Construct serves as a written certificate of conformity with the procedural requirements of 40 CFR 70.7 and 70.8 and with the compliance requirements of 40 CFR 70.6(c). [District Rule 2520] Federally Enforceable Through Title V Permit
2. Prior to operating with modifications authorized by this Authority to Construct, the facility shall submit an application to modify the Title V permit with an administrative amendment in accordance with District Rule 2520 Section 5.3.4. [District Rule 2520, 5.3.4] Federally Enforceable Through Title V Permit
3. Chevron will surrender ERCs sufficient to offset operational emissions as required by District NSR requirements. [Public Resources Code 21000-21177: California Environmental Quality Act]
4. A qualified registered biologist will conduct a focused pre-construction survey to determine the presence/absence of potential impacts on sensitive species prior to the onset of ground disturbance. The survey shall be conducted in accordance with the standard protocol of the USFWS and CDFG. If more than 30 days pass before the onset of ground disturbance, an additional survey shall be conducted by a Certified Biological Representative within 30 days prior to the onset of ground disturbance. [Public Resources Code 21000-21177: California Environmental Quality Act]

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-2010-275-0 : Mar 1 2012 9:02AM - EDGEHILL : Joint Inspection NOT Required

5. If sensitive species or their nests/dens are detected in the pre-construction survey, the appropriate standardized avoidance measures will be implemented to preclude take of the species. If standardized avoidance measures cannot be achieved Chevron will consult with the CDFG and USFWS to develop alternative compliance measures. If standardized avoidance measures fail and there is a take of a threatened or endangered species Chevron will notify USFWS and CDFG immediately. [Public Resources Code 21000-21177: California Environmental Quality Act]
6. A qualified registered biologist will conduct a focused pre-construction survey to determine the presence/absence of potential impacts on riparian habitats, sensitive natural communities and wetlands prior to the onset of ground disturbance. The survey shall be conducted in accordance with the standard protocol of the USFWS and CDFG. If more than 30 days pass before the onset of ground disturbance, an additional survey shall be conducted by a Certified Biological Representative within 30 days prior to the onset of ground disturbance. [Public Resources Code 21000-21177: California Environmental Quality Act]
7. A qualified registered biologist will conduct a focused pre-construction survey to determine the presence/absence of potential impacts on migratory corridors prior to the onset of ground disturbance. The survey shall be conducted in accordance with the standard protocol of the USFWS and CDFG. If more than 30 days pass before the onset of ground disturbance, an additional survey shall be conducted by a Certified Biological Representative within 30 days prior to the onset of ground disturbance. [Public Resources Code 21000-21177: California Environmental Quality Act]
8. In the event that archaeological/paleontological resources are discovered during ground-disturbing activities associated with construction of the proposed Project, all work within 100 feet of the find shall cease. Chevron will notify and retain a qualified archaeologist/paleontologist to assess and provide an evaluation of the significance of the find. Chevron shall determine whether avoidance is necessary and feasible in light of the factors such as the nature of the find, project design, costs, and other considerations, and, if necessary, develop appropriate mitigation measures in consultation with Kern County and other appropriate agencies and individuals. Work may resume on the Project site once the evaluation of the find is complete by the qualified archaeologist/paleontologist. [Public Resources Code 21000-21177: California Environmental Quality Act]
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10. Prior to the start of construction activities, Chevron shall provide the District with documentation demonstrating that maps identifying all wells in the vicinity of the sites have been submitted to DOGGR for compliance with DOGGR's "Well Review Program". [Public Resources Code 21000-21177: California Environmental Quality Act]
11. During construction activities, if unknown, unrecorded or abandoned wells are discovered or if any wells are damaged, Chevron shall immediately notify DOGGR. [Public Resources Code 21000-21177: California Environmental Quality Act]
12. Any wells discovered or exposed during construction activities will be tested for flammable vapors. [Public Resources Code 21000-21177: California Environmental Quality Act]
13. This steam generator is permitted to operate at the following locations: Section 29 T26S/R21E, SE, SW Section 32, T26S/R21E, and NW, SW Section 33 T26S/R21E. [District Rule 4102] Federally Enforceable Through Title V Permit
14. The permittee shall notify the District Compliance Division of each location at which the operation is located in excess of 24 hours. Such notification shall be made no later than 48 hours after starting operation at the location. [District Rule 1070] Federally Enforceable Through Title V Permit
15. The permittee shall obtain written District approval for the use of any equivalent equipment not specifically approved by this Authority to Construct. Approval of the equivalent equipment shall be made only after the District's determination that the submitted design and performance of the proposed alternate equipment is equivalent to the specifically authorized equipment. [District Rule 2201] Federally Enforceable Through Title V Permit

CONDITIONS CONTINUE ON NEXT PAGE

16. The permittee's request for approval of equivalent equipment shall include the make, model, manufacturer's maximum rating, manufacturer's guaranteed emission rates, equipment drawing(s), and operational characteristics/parameters. [District Rule 2010] Federally Enforceable Through Title V Permit
17. Alternate equipment shall be of the same class and category of source as the equipment authorized by the Authority to Construct. [District Rule 2201] Federally Enforceable Through Title V Permit
18. No emission factor and no emission shall be greater for the alternate equipment than for the proposed equipment. No changes in the hours of operation, operating rate, throughput, or firing rate may be authorized for any alternate equipment. [District Rule 2201] Federally Enforceable Through Title V Permit
19. Flue gas recirculation (FGR) shall be utilized in conjunction with low-NOx burner to maintain ongoing compliance with permitted emission limits. [District Rule 2201] Federally Enforceable Through Title V Permit
20. Natural gas fuel sulfur content shall not exceed 1.0 grains-S/100 scf. [District Rule 2201] Federally Enforceable Through Title V Permit
21. The maximum duration of commissioning, i.e. adjustment and tuning of the unit for proper operation and compliance with permitted emissions limits, shall not exceed 60 days from initial startup. [District Rule 2080] Federally Enforceable Through Title V Permit
22. Total duration of startup, shutdown, commissioning, refractory curing operation shall not exceed 300 hours per calendar year. Permittee shall maintain records of the date and duration of each activity and the total hours of such operation for the calendar year. [District Rule 2080] Federally Enforceable Through Title V Permit
23. Permittee shall submit written notification to the District prior to commissioning or refractory curing activities. Such notification shall include anticipated beginning and ending dates of such activities. [District Rule 2080] Federally Enforceable Through Title V Permit
24. Emission rates shall not exceed any of the following: PM₁₀: 0.0032 lb/MMBtu; or VOC: 0.0055 lb/MMBtu. [District Rule 2201] Federally Enforceable Through Title V Permit
25. Emission rates, except during startup, shutdown, commissioning, and refractory curing shall not exceed: NO_x (as NO₂): 7 ppmvd @ 3% O₂ or 0.0085 lb/MMBtu; or CO: 25 ppmvd @ 3% O₂ or 0.0185 lb/MMBtu. [District Rules 2201, 4305, 4306, and 4320] Federally Enforceable Through Title V Permit
26. Duration of start-up and shutdown shall not exceed 2 hours each per occurrence. [District Rules 2201, 4305, 4306, and 4320] Federally Enforceable Through Title V Permit
27. If the unit is fired on noncertified gaseous fuel and compliance with SO_x emission limits is achieved through fuel sulfur content limitations, then the sulfur content of the gaseous fuel being fired in the unit shall be determined using ASTM D 1072, D 3031, D 3246, D 4084, D 4468, D 6667 or grab sample analysis by GC-FPD/TCO performed in the laboratory. [District Rule 1070, 2201, and 4320] Federally Enforceable Through Title V Permit
28. When complying with sulfur emission limits by fuel analysis or by a combination of source testing and fuel analysis, each fuel source shall be tested weekly for sulfur content and higher heating value. If compliance with the fuel sulfur content limit and sulfur emission limits has been demonstrated for 8 consecutive weeks for a fuel source, then the fuel testing frequency shall be semi-annually. If a semi-annual fuel content source test fails to show compliance, weekly testing shall resume. [District Rules 1070, 2201, and 4320] Federally Enforceable Through Title V Permit
29. If fuel analysis is used to demonstrate compliance with conditions of this permit, the fuel higher heating value for each fuel shall be certified by a third party fuel supplier or determined by ASTM D 1826 or D 1945 in conjunction with ASTM D 3588 for gaseous fuels. [District Rules 1070, 2201, and 4320] Federally Enforceable Through Title V Permit
30. The permittee shall monitor and record the stack concentration of NO_x, CO, and O₂ at least once every month (in which a source test is not performed) using a portable emission monitor that meets District specifications. Monitoring shall not be required if the unit is not in operation, i.e. the unit need not be started solely to perform monitoring. Monitoring shall be performed within 5 days of restarting the unit unless monitoring has been performed within the last month. [District Rules 2520, 4305, 4306, and 4320] Federally Enforceable Through Title V Permit

CONDITIONS CONTINUE ON NEXT PAGE

31. If either the NO_x or CO concentrations corrected to 3% O₂, as measured by the portable analyzer, exceed the allowable emissions concentration, the permittee shall return the emissions to within the acceptable range as soon as possible, but no longer than 1 hour of operation after detection. If the portable analyzer readings continue to exceed the allowable emissions concentration after 1 hour of operation after detection, the permittee shall notify the District within the following 1 hour and conduct a certified source test within 60 days of the first exceedance. In lieu of conducting a source test, the permittee may stipulate a violation has occurred, subject to enforcement action. The permittee must then correct the violation, show compliance has been re-established, and resume monitoring procedures. If the deviations are the result of a qualifying breakdown condition pursuant to Rule 1100, the permittee may fully comply with Rule 1100 in lieu of the performing the notification and testing required by this condition. [District Rules 2520, 4305, 4306, and 4320] Federally Enforceable Through Title V Permit
32. All alternate monitoring parameter emission readings shall be taken with the unit operating either at conditions representative of normal operations or conditions specified in the Permit to Operate. The analyzer shall be calibrated, maintained, and operated in accordance with the manufacturer's specifications and recommendations or a protocol approved by the APCO. Emission readings taken shall be averaged over a 15 consecutive-minute period by either taking a cumulative 15 consecutive-minute sample reading or by taking at least five (5) readings, evenly spaced out over the 15 consecutive-minute period. [District Rules 2520, 4305, 4306, and 4320] Federally Enforceable Through Title V Permit
33. The permittee shall maintain records of: (1) the date and time of NO_x, CO, and O₂ measurements, (2) the O₂ concentration in percent and the measured NO_x and CO concentrations corrected to 3% O₂, (3) make and model of exhaust gas analyzer, (4) exhaust gas analyzer calibration records, and (5) a description of any corrective action taken to maintain the emissions within the acceptable range. [District Rules 2520, 4305, 4306, and 4320] Federally Enforceable Through Title V Permit
34. Compliance demonstration (source testing) shall be by District witnessed, or authorized, sample collection by ARB certified laboratory. [District Rule 1081] Federally Enforceable Through Title V Permit
35. All required source testing shall conform to the compliance testing procedures described in District Rule 1081 (Amended December 16, 1993). [District Rule 1081, and County Rules 108 (Kings), 108.1 (Fresno, Merced, San Joaquin, Tulare, Kern, and Stanislaus), and 110 (Madera)] Federally Enforceable Through Title V Permit
36. Source testing to measure NO_x and CO emissions from this unit shall be conducted within 60 days of initial start-up. [District Rules 2201, 4305, 4306, and 4320] Federally Enforceable Through Title V Permit
37. Source testing to measure natural gas-combustion NO_x and CO emissions from this unit shall be conducted at least once every twelve (12) months. After demonstrating compliance on two (2) consecutive annual source tests, the unit shall be tested not less than once every thirty-six (36) months. If the result of the 36-month source test demonstrates that the unit does not meet the applicable emission limits, the source testing frequency shall revert to at least once every twelve (12) months. [District Rules 2201, 4305, 4306, and 4320] Federally Enforceable Through Title V Permit
38. The source test plan shall identify which basis (ppmv or lb/MMBtu) will be used to demonstrate compliance. [District Rules 4305, 4306, and 4320] Federally Enforceable Through Title V Permit
39. Source testing shall be conducted using the methods and procedures approved by the District. The District must be notified at least 30 days prior to any compliance source test, and a source test plan must be submitted for approval at least 15 days prior to testing. [District Rule 1081] Federally Enforceable Through Title V Permit
40. The following test methods shall be used: NO_x (ppmv) - EPA Method 7E or ARB Method 100, NO_x (lb/MMBtu) - EPA Method 19, CO (ppmv) - EPA Method 10 or 10B or ARB Method 100, stack gas oxygen - EPA Method 3 or 3A or ARB Method 100, SO_x (lb/MMBtu) - ARB Method 8 or 100 or EPA Method 6, 6B, 6C, or 8, or fuel gas sulfur content analysis and EPA Method 19, fuel gas sulfur content - ASTM D1072, D3031, D3246, D4084, D4468, D6667 or double GC for H₂S and mercaptans performed in laboratory, fuel gas hhv - ASTM D1826 or D1945 in conjunction with ASTM D3588. [District Rules 1081, 4305, 4306, and 4320] Federally Enforceable Through Title V Permit
41. For emissions source testing, the arithmetic average of three 30-consecutive-minute test runs shall apply. If two of three runs are above an applicable limit the test cannot be used to demonstrate compliance with an applicable limit. [District Rules 4305, 4306, and 4320] Federally Enforceable Through Title V Permit

CONDITIONS CONTINUE ON NEXT PAGE

42. All emissions measurements shall be made with the unit operating either at conditions representative of normal operations or conditions specified in the Permit to Operate. No determination of compliance shall be established within two hours after a continuous period in which fuel flow to the unit is shut off for 30 minutes or longer, or within 30 minutes after a re-ignition as defined in District Rules 4306 and 4320. [District Rules 4305, 4306, and 4320] Federally Enforceable Through Title V Permit
43. The results of each source test shall be submitted to the District within 60 days thereafter. [District Rule 1081] Federally Enforceable Through Title V Permit
44. Copies of all gas purchase contracts, supplier certifications, and test results to determine compliance with the conditions of this permit shall be maintained. The operator shall record daily amount and type(s) of fuel(s) combusted, fuel sources, and all dates on which unit is fired on any noncertified fuel and record specific type of noncertified fuel used. [District Rule 2520, 9.4.2] Federally Enforceable Through Title V Permit
45. Prior to operating equipment under this Authority to Construct, permittee shall surrender emission reduction credits for the following quantities of emissions: NOx: 2374 lb/quarter; PM10: 894 lb/quarter, and VOC: 1536 lb/qtr. Offsets include the applicable offset ratio specified in Section 4.8 of Rule 2201 (as amended 9/21/06). [District Rule 2201] Federally Enforceable Through Title V Permit
46. ERC Certificate Numbers S-3629-2 (NOx), S-3145-1 (VOC), and S-3598-4 (PM10) (or certificates split from these certificates) shall be used to supply the required offsets, unless a revised offsetting proposal is received and approved by the District, upon which this Authority to Construct shall be reissued, administratively specifying the new offsetting proposal. Original public noticing requirements, if any, shall be duplicated prior to reissuance of this Authority to Construct. [District Rule 2201] Federally Enforceable Through Title V Permit
47. Permittee shall maintain a record of the duration of each startup of this unit. [District Rule 4306] Federally Enforceable Through Title V Permit
48. All records shall be maintained and retained on-site for a period of at least 5 years and shall be made available for District inspection upon request. [District Rule 1070, 4305, 4306, and 4320] Federally Enforceable Through Title V Permit



AUTHORITY TO CONSTRUCT

PERMIT NO: S-2010-276-0

ISSUANCE DATE: 03/01/2012

LEGAL OWNER OR OPERATOR: CHEVRON USA INC
MAILING ADDRESS: PO BOX 1392
BAKERSFIELD, CA 93302

LOCATION: LIGHT OIL WESTERN STATIONARY SOURCE
CA

EQUIPMENT DESCRIPTION:

85 MMBTU/HR NATURAL GAS-FIRED STEAM GENERATOR WITH NORTH AMERICAN MODEL 4231-85-GLE LOW-NOX BURNER ASSEMBLY, OR EQUIVALENT LOW-NOX BURNER, WITH FLUE GAS RECIRCULATION, APPROVED TO OPERATE AT VARIOUS LOCATIONS

CONDITIONS

1. This Authority to Construct serves as a written certificate of conformity with the procedural requirements of 40 CFR 70.7 and 70.8 and with the compliance requirements of 40 CFR 70.6(c). [District Rule 2520] Federally Enforceable Through Title V Permit
2. Prior to operating with modifications authorized by this Authority to Construct, the facility shall submit an application to modify the Title V permit with an administrative amendment in accordance with District Rule 2520 Section 5.3.4. [District Rule 2520, 5.3.4] Federally Enforceable Through Title V Permit
3. Chevron will surrender ERCs sufficient to offset operational emissions as required by District NSR requirements. [Public Resources Code 21000-21177: California Environmental Quality Act]
4. A qualified registered biologist will conduct a focused pre-construction survey to determine the presence/absence of potential impacts on sensitive species prior to the onset of ground disturbance. The survey shall be conducted in accordance with the standard protocol of the USFWS and CDFG. If more than 30 days pass before the onset of ground disturbance, an additional survey shall be conducted by a Certified Biological Representative within 30 days prior to the onset of ground disturbance. [Public Resources Code 21000-21177: California Environmental Quality Act]

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-2010-276-0 : Mar 1 2012 6:02AM - EDGEMILR : Joint Inspection NOT Required

5. If sensitive species or their nests/dens are detected in the pre-construction survey, the appropriate standardized avoidance measures will be implemented to preclude take of the species. If standardized avoidance measures cannot be achieved Chevron will consult with the CDFG and USFWS to develop alternative compliance measures. If standardized avoidance measures fail and there is a take of a threatened or endangered species Chevron will notify USFWS and CDFG immediately. [Public Resources Code 21000-21177: California Environmental Quality Act]
6. A qualified registered biologist will conduct a focused pre-construction survey to determine the presence/absence of potential impacts on riparian habitats, sensitive natural communities and wetlands prior to the onset of ground disturbance. The survey shall be conducted in accordance with the standard protocol of the USFWS and CDFG. If more than 30 days pass before the onset of ground disturbance, an additional survey shall be conducted by a Certified Biological Representative within 30 days prior to the onset of ground disturbance. [Public Resources Code 21000-21177: California Environmental Quality Act]
7. A qualified registered biologist will conduct a focused pre-construction survey to determine the presence/absence of potential impacts on migratory corridors prior to the onset of ground disturbance. The survey shall be conducted in accordance with the standard protocol of the USFWS and CDFG. If more than 30 days pass before the onset of ground disturbance, an additional survey shall be conducted by a Certified Biological Representative within 30 days prior to the onset of ground disturbance. [Public Resources Code 21000-21177: California Environmental Quality Act]
8. In the event that archaeological/paleontological resources are discovered during ground-disturbing activities associated with construction of the proposed Project, all work within 100 feet of the find shall cease. Chevron will notify and retain a qualified archaeologist/paleontologist to assess and provide an evaluation of the significance of the find. Chevron shall determine whether avoidance is necessary and feasible in light of the factors such as the nature of the find, project design, costs, and other considerations, and, if necessary, develop appropriate mitigation measures in consultation with Kern County and other appropriate agencies and individuals. Work may resume on the Project site once the evaluation of the find is complete by the qualified archaeologist/paleontologist. [Public Resources Code 21000-21177: California Environmental Quality Act]
9. In the event that human remains are discovered during construction of the Project, all work within 100 feet shall be ceased and the discovery will immediately be reported to the County Coroner. If the remains are determined to be Native American in origin, the County Coroner shall notify the Native American Heritage Commission (NAHC) within 24 hours of the determination. The NAHC will solicit those persons it believe to be the nearest descendants of the remains for recommendations. Chevron shall, in consultation with the identified descendants of the remains and/or NAHC, will identify the appropriate measures for the treatment or disposition of the remains. [Public Resources Code 21000-21177: California Environmental Quality Act]
10. Prior to the start of construction activities, Chevron shall provide the District with documentation demonstrating that maps identifying all wells in the vicinity of the sites have been submitted to DOGGR for compliance with DOGGR's "Well Review Program". [Public Resources Code 21000-21177: California Environmental Quality Act]
11. During construction activities, if unknown, unrecorded or abandoned wells are discovered or if any wells are damaged, Chevron shall immediately notify DOGGR. [Public Resources Code 21000-21177: California Environmental Quality Act]
12. Any wells discovered or exposed during construction activities will be tested for flammable vapors. [Public Resources Code 21000-21177: California Environmental Quality Act]
13. This steam generator is permitted to operate at the following locations: Section 29 T26S/R21E, SE, SW Section 32, T26S/R21E, and NW, SW Section 33 T26S/R21E. [District Rule 4102] Federally Enforceable Through Title V Permit
14. The permittee shall notify the District Compliance Division of each location at which the operation is located in excess of 24 hours. Such notification shall be made no later than 48 hours after starting operation at the location. [District Rule 1070] Federally Enforceable Through Title V Permit
15. The permittee shall obtain written District approval for the use of any equivalent equipment not specifically approved by this Authority to Construct. Approval of the equivalent equipment shall be made only after the District's determination that the submitted design and performance of the proposed alternate equipment is equivalent to the specifically authorized equipment. [District Rule 2201] Federally Enforceable Through Title V Permit

CONDITIONS CONTINUE ON NEXT PAGE

16. The permittee's request for approval of equivalent equipment shall include the make, model, manufacturer's maximum rating, manufacturer's guaranteed emission rates, equipment drawing(s), and operational characteristics/parameters. [District Rule 2010] Federally Enforceable Through Title V Permit
17. Alternate equipment shall be of the same class and category of source as the equipment authorized by the Authority to Construct. [District Rule 2201] Federally Enforceable Through Title V Permit
18. No emission factor and no emission shall be greater for the alternate equipment than for the proposed equipment. No changes in the hours of operation, operating rate, throughput, or firing rate may be authorized for any alternate equipment. [District Rule 2201] Federally Enforceable Through Title V Permit
19. Flue gas recirculation (FGR) shall be utilized in conjunction with low-NOx burner to maintain ongoing compliance with permitted emission limits. [District Rule 2201] Federally Enforceable Through Title V Permit
20. Natural gas fuel sulfur content shall not exceed 1.0 grains-S/100 scf. [District Rule 2201] Federally Enforceable Through Title V Permit
21. The maximum duration of commissioning, i.e. adjustment and tuning of the unit for proper operation and compliance with permitted emissions limits, shall not exceed 60 days from initial startup. [District Rule 2080] Federally Enforceable Through Title V Permit
22. Total duration of startup, shutdown, commissioning, refractory curing operation shall not exceed 300 hours per calendar year. Permittee shall maintain records of the date and duration of each activity and the total hours of such operation for the calendar year. [District Rule 2080] Federally Enforceable Through Title V Permit
23. Permittee shall submit written notification to the District prior to commissioning or refractory curing activities. Such notification shall include anticipated beginning and ending dates of such activities. [District Rule 2080] Federally Enforceable Through Title V Permit
24. Emission rates shall not exceed any of the following: PM10: 0.0032 lb/MMBtu; or VOC: 0.0055 lb/MMBtu. [District Rule 2201] Federally Enforceable Through Title V Permit
25. Emission rates, except during startup, shutdown, commissioning, and refractory curing shall not exceed: NOx (as NO2): 7 ppmvd @ 3% O2 or 0.0085 lb/MMBtu; or CO: 25 ppmvd @ 3% O2 or 0.0185 lb/MMBtu. [District Rules 2201, 4305, 4306, and 4320] Federally Enforceable Through Title V Permit
26. Duration of start-up and shutdown shall not exceed 2 hours each per occurrence. [District Rules 2201, 4305, 4306, and 4320] Federally Enforceable Through Title V Permit
27. If the unit is fired on noncertified gaseous fuel and compliance with SOx emission limits is achieved through fuel sulfur content limitations, then the sulfur content of the gaseous fuel being fired in the unit shall be determined using ASTM D 1072, D 3031, D 3246, D 4084, D 4468, D 6667 or grab sample analysis by GC-FPD/TCD performed in the laboratory. [District Rule 1070, 2201, and 4320] Federally Enforceable Through Title V Permit
28. When complying with sulfur emission limits by fuel analysis or by a combination of source testing and fuel analysis, each fuel source shall be tested weekly for sulfur content and higher heating value. If compliance with the fuel sulfur content limit and sulfur emission limits has been demonstrated for 8 consecutive weeks for a fuel source, then the fuel testing frequency shall be semi-annually. If a semi-annual fuel content source test fails to show compliance, weekly testing shall resume. [District Rules 1070, 2201, and 4320] Federally Enforceable Through Title V Permit
29. If fuel analysis is used to demonstrate compliance with conditions of this permit, the fuel higher heating value for each fuel shall be certified by a third party fuel supplier or determined by ASTM D 1826 or D 1945 in conjunction with ASTM D 3588 for gaseous fuels. [District Rules 1070, 2201, and 4320] Federally Enforceable Through Title V Permit
30. The permittee shall monitor and record the stack concentration of NOx, CO, and O2 at least once every month (in which a source test is not performed) using a portable emission monitor that meets District specifications. Monitoring shall not be required if the unit is not in operation, i.e. the unit need not be started solely to perform monitoring. Monitoring shall be performed within 5 days of restarting the unit unless monitoring has been performed within the last month. [District Rules 2520, 4305, 4306, and 4320] Federally Enforceable Through Title V Permit

CONDITIONS CONTINUE ON NEXT PAGE

31. If either the NO_x or CO concentrations corrected to 3% O₂, as measured by the portable analyzer, exceed the allowable emissions concentration, the permittee shall return the emissions to within the acceptable range as soon as possible, but no longer than 1 hour of operation after detection. If the portable analyzer readings continue to exceed the allowable emissions concentration after 1 hour of operation after detection, the permittee shall notify the District within the following 1 hour and conduct a certified source test within 60 days of the first exceedance. In lieu of conducting a source test, the permittee may stipulate a violation has occurred, subject to enforcement action. The permittee must then correct the violation, show compliance has been re-established, and resume monitoring procedures. If the deviations are the result of a qualifying breakdown condition pursuant to Rule 1100, the permittee may fully comply with Rule 1100 in lieu of the performing the notification and testing required by this condition. [District Rules 2520, 4305, 4306, and 4320] Federally Enforceable Through Title V Permit
32. All alternate monitoring parameter emission readings shall be taken with the unit operating either at conditions representative of normal operations or conditions specified in the Permit to Operate. The analyzer shall be calibrated, maintained, and operated in accordance with the manufacturer's specifications and recommendations or a protocol approved by the APCO. Emission readings taken shall be averaged over a 15 consecutive-minute period by either taking a cumulative 15 consecutive-minute sample reading or by taking at least five (5) readings, evenly spaced out over the 15 consecutive-minute period. [District Rules 2520, 4305, 4306, and 4320] Federally Enforceable Through Title V Permit
33. The permittee shall maintain records of: (1) the date and time of NO_x, CO, and O₂ measurements, (2) the O₂ concentration in percent and the measured NO_x and CO concentrations corrected to 3% O₂, (3) make and model of exhaust gas analyzer, (4) exhaust gas analyzer calibration records, and (5) a description of any corrective action taken to maintain the emissions within the acceptable range. [District Rules 2520, 4305, 4306, and 4320] Federally Enforceable Through Title V Permit
34. Compliance demonstration (source testing) shall be by District witnessed, or authorized, sample collection by ARB certified laboratory. [District Rule 1081] Federally Enforceable Through Title V Permit
35. All required source testing shall conform to the compliance testing procedures described in District Rule 1081 (Amended December 16, 1993). [District Rule 1081, and County Rules 108 (Kings), 108.1 (Fresno, Merced, San Joaquin, Tulare, Kern, and Stanislaus), and 110 (Madera)] Federally Enforceable Through Title V Permit
36. Source testing to measure NO_x and CO emissions from this unit shall be conducted within 60 days of initial start-up. [District Rules 2201, 4305, 4306, and 4320] Federally Enforceable Through Title V Permit
37. Source testing to measure natural gas-combustion NO_x and CO emissions from this unit shall be conducted at least once every twelve (12) months. After demonstrating compliance on two (2) consecutive annual source tests, the unit shall be tested not less than once every thirty-six (36) months. If the result of the 36-month source test demonstrates that the unit does not meet the applicable emission limits, the source testing frequency shall revert to at least once every twelve (12) months. [District Rules 2201, 4305, 4306, and 4320] Federally Enforceable Through Title V Permit
38. The source test plan shall identify which basis (ppmv or lb/MMBtu) will be used to demonstrate compliance. [District Rules 4305, 4306, and 4320] Federally Enforceable Through Title V Permit
39. Source testing shall be conducted using the methods and procedures approved by the District. The District must be notified at least 30 days prior to any compliance source test, and a source test plan must be submitted for approval at least 15 days prior to testing. [District Rule 1081] Federally Enforceable Through Title V Permit
40. The following test methods shall be used: NO_x (ppmv) - EPA Method 7E or ARB Method 100, NO_x (lb/MMBtu) - EPA Method 19, CO (ppmv) - EPA Method 10 or 10B or ARB Method 100, stack gas oxygen - EPA Method 3 or 3A or ARB Method 100, SO_x (lb/MMBtu) - ARB Method 8 or 100 or EPA Method 6, 6B, 6C, or 8, or fuel gas sulfur content analysis and EPA Method 19, fuel gas sulfur content - ASTM D1072, D3031, D3246, D4084, D4468, D6667 or double GC for H₂S and mercaptans performed in laboratory, fuel gas hhv - ASTM D1826 or D1945 in conjunction with ASTM D3588. [District Rules 1081, 4305, 4306, and 4320] Federally Enforceable Through Title V Permit
41. For emissions source testing, the arithmetic average of three 30-consecutive-minute test runs shall apply. If two of three runs are above an applicable limit the test cannot be used to demonstrate compliance with an applicable limit. [District Rules 4305, 4306, and 4320] Federally Enforceable Through Title V Permit

CONDITIONS CONTINUE ON NEXT PAGE

42. All emissions measurements shall be made with the unit operating either at conditions representative of normal operations or conditions specified in the Permit to Operate. No determination of compliance shall be established within two hours after a continuous period in which fuel flow to the unit is shut off for 30 minutes or longer, or within 30 minutes after a re-ignition as defined in District Rules 4306 and 4320. [District Rules 4305, 4306, and 4320] Federally Enforceable Through Title V Permit
43. The results of each source test shall be submitted to the District within 60 days thereafter. [District Rule 1081] Federally Enforceable Through Title V Permit
44. Copies of all gas purchase contracts, supplier certifications, and test results to determine compliance with the conditions of this permit shall be maintained. The operator shall record daily amount and type(s) of fuel(s) combusted, fuel sources, and all dates on which unit is fired on any noncertified fuel and record specific type of noncertified fuel used. [District Rule 2520, 9.4.2] Federally Enforceable Through Title V Permit
45. Prior to operating equipment under this Authority to Construct, permittee shall surrender emission reduction credits for the following quantities of emissions: NOx: 2374 lb/quarter; PM10: 894 lb/quarter, and VOC: 1536 lb/qtr. Offsets include the applicable offset ratio specified in Section 4.8 of Rule 2201 (as amended 9/21/06). [District Rule 2201] Federally Enforceable Through Title V Permit
46. ERC Certificate Numbers S-3629-2 (NOx), S-3145-1 (VOC), and S-3598-4 (PM10) (or certificates split from these certificates) shall be used to supply the required offsets, unless a revised offsetting proposal is received and approved by the District, upon which this Authority to Construct shall be reissued, administratively specifying the new offsetting proposal. Original public noticing requirements, if any, shall be duplicated prior to reissuance of this Authority to Construct. [District Rule 2201] Federally Enforceable Through Title V Permit
47. Permittee shall maintain a record of the duration of each startup of this unit. [District Rule 4306] Federally Enforceable Through Title V Permit
48. All records shall be maintained and retained on-site for a period of at least 5 years and shall be made available for District inspection upon request. [District Rule 1070, 4305, 4306, and 4320] Federally Enforceable Through Title V Permit



AUTHORITY TO CONSTRUCT

PERMIT NO: S-2010-277-0

ISSUANCE DATE: 03/01/2012

LEGAL OWNER OR OPERATOR: CHEVRON USA INC
MAILING ADDRESS: PO BOX 1392
BAKERSFIELD, CA 93302

LOCATION: LIGHT OIL WESTERN STATIONARY SOURCE
CA

EQUIPMENT DESCRIPTION:

85 MMBTU/HR NATURAL GAS-FIRED STEAM GENERATOR WITH NORTH AMERICAN MODEL 4231-85-GLE LOW-NOX BURNER ASSEMBLY, OR EQUIVALENT LOW-NOX BURNER, WITH FLUE GAS RECIRCULATION, APPROVED TO OPERATE AT VARIOUS LOCATIONS

CONDITIONS

1. This Authority to Construct serves as a written certificate of conformity with the procedural requirements of 40 CFR 70.7 and 70.8 and with the compliance requirements of 40 CFR 70.6(c). [District Rule 2520] Federally Enforceable Through Title V Permit
2. Prior to operating with modifications authorized by this Authority to Construct, the facility shall submit an application to modify the Title V permit with an administrative amendment in accordance with District Rule 2520 Section 5.3.4. [District Rule 2520, 5.3.4] Federally Enforceable Through Title V Permit
3. Chevron will surrender ERCs sufficient to offset operational emissions as required by District NSR requirements. [Public Resources Code 21000-21177: California Environmental Quality Act]
4. A qualified registered biologist will conduct a focused pre-construction survey to determine the presence/absence of potential impacts on sensitive species prior to the onset of ground disturbance. The survey shall be conducted in accordance with the standard protocol of the USFWS and CDFG. If more than 30 days pass before the onset of ground disturbance, an additional survey shall be conducted by a Certified Biological Representative within 30 days prior to the onset of ground disturbance. [Public Resources Code 21000-21177: California Environmental Quality Act]

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.

Sayed Sadredin, Executive Director / APCO

DAVID WARNER, Director of Permit Services

S-2010-277-0 - Mar 1 2012 9:02AM - EDGEMILR : Joint Inspection NOT Required

5. If sensitive species or their nests/dens are detected in the pre-construction survey, the appropriate standardized avoidance measures will be implemented to preclude take of the species. If standardized avoidance measures cannot be achieved Chevron will consult with the CDFG and USFWS to develop alternative compliance measures. If standardized avoidance measures fail and there is a take of a threatened or endangered species Chevron will notify USFWS and CDFG immediately. [Public Resources Code 21000-21177: California Environmental Quality Act]
6. A qualified registered biologist will conduct a focused pre-construction survey to determine the presence/absence of potential impacts on riparian habitats, sensitive natural communities and wetlands prior to the onset of ground disturbance. The survey shall be conducted in accordance with the standard protocol of the USFWS and CDFG. If more than 30 days pass before the onset of ground disturbance, an additional survey shall be conducted by a Certified Biological Representative within 30 days prior to the onset of ground disturbance. [Public Resources Code 21000-21177: California Environmental Quality Act]
7. A qualified registered biologist will conduct a focused pre-construction survey to determine the presence/absence of potential impacts on migratory corridors prior to the onset of ground disturbance. The survey shall be conducted in accordance with the standard protocol of the USFWS and CDFG. If more than 30 days pass before the onset of ground disturbance, an additional survey shall be conducted by a Certified Biological Representative within 30 days prior to the onset of ground disturbance. [Public Resources Code 21000-21177: California Environmental Quality Act]
8. In the event that archaeological/paleontological resources are discovered during ground-disturbing activities associated with construction of the proposed Project, all work within 100 feet of the find shall cease. Chevron will notify and retain a qualified archaeologist/paleontologist to assess and provide an evaluation of the significance of the find. Chevron shall determine whether avoidance is necessary and feasible in light of the factors such as the nature of the find, project design, costs, and other considerations, and, if necessary, develop appropriate mitigation measures in consultation with Kern County and other appropriate agencies and individuals. Work may resume on the Project site once the evaluation of the find is complete by the qualified archaeologist/paleontologist. [Public Resources Code 21000-21177: California Environmental Quality Act]
9. In the event that human remains are discovered during construction of the Project, all work within 100 feet shall be ceased and the discovery will immediately be reported to the County Coroner. If the remains are determined to be Native American in origin, the County Coroner shall notify the Native American Heritage Commission (NAHC) within 24 hours of the determination. The NAHC will solicit those persons it believe to be the nearest descendants of the remains for recommendations. Chevron shall, in consultation with the identified descendants of the remains and/or NAHC, will identify the appropriate measures for the treatment or disposition of the remains. [Public Resources Code 21000-21177: California Environmental Quality Act]
10. Prior to the start of construction activities, Chevron shall provide the District with documentation demonstrating that maps identifying all wells in the vicinity of the sites have been submitted to DOGGR for compliance with DOGGR's "Well Review Program". [Public Resources Code 21000-21177: California Environmental Quality Act]
11. During construction activities, if unknown, unrecorded or abandoned wells are discovered or if any wells are damaged, Chevron shall immediately notify DOGGR. [Public Resources Code 21000-21177: California Environmental Quality Act]
12. Any wells discovered or exposed during construction activities will be tested for flammable vapors. [Public Resources Code 21000-21177: California Environmental Quality Act]
13. This steam generator is permitted to operate at the following locations: Section 29 T26S/R21E, SE, SW Section 32, T26S/R21E, and NW, SW Section 33 T26S/R21E. [District Rule 4102] Federally Enforceable Through Title V Permit
14. The permittee shall notify the District Compliance Division of each location at which the operation is located in excess of 24 hours. Such notification shall be made no later than 48 hours after starting operation at the location. [District Rule 1070] Federally Enforceable Through Title V Permit
15. The permittee shall obtain written District approval for the use of any equivalent equipment not specifically approved by this Authority to Construct. Approval of the equivalent equipment shall be made only after the District's determination that the submitted design and performance of the proposed alternate equipment is equivalent to the specifically authorized equipment. [District Rule 2201] Federally Enforceable Through Title V Permit

CONDITIONS CONTINUE ON NEXT PAGE

16. The permittee's request for approval of equivalent equipment shall include the make, model, manufacturer's maximum rating, manufacturer's guaranteed emission rates, equipment drawing(s), and operational characteristics/parameters. [District Rule 2010] Federally Enforceable Through Title V Permit
17. Alternate equipment shall be of the same class and category of source as the equipment authorized by the Authority to Construct. [District Rule 2201] Federally Enforceable Through Title V Permit
18. No emission factor and no emission shall be greater for the alternate equipment than for the proposed equipment. No changes in the hours of operation, operating rate, throughput, or firing rate may be authorized for any alternate equipment. [District Rule 2201] Federally Enforceable Through Title V Permit
19. Flue gas recirculation (FGR) shall be utilized in conjunction with low-NOx burner to maintain ongoing compliance with permitted emission limits. [District Rule 2201] Federally Enforceable Through Title V Permit
20. Natural gas fuel sulfur content shall not exceed 1.0 grains-S/100 scf. [District Rule 2201] Federally Enforceable Through Title V Permit
21. The maximum duration of commissioning, i.e. adjustment and tuning of the unit for proper operation and compliance with permitted emissions limits, shall not exceed 60 days from initial startup. [District Rule 2080] Federally Enforceable Through Title V Permit
22. Total duration of startup, shutdown, commissioning, refractory curing operation shall not exceed 300 hours per calendar year. Permittee shall maintain records of the date and duration of each activity and the total hours of such operation for the calendar year. [District Rule 2080] Federally Enforceable Through Title V Permit
23. Permittee shall submit written notification to the District prior to commissioning or refractory curing activities. Such notification shall include anticipated beginning and ending dates of such activities. [District Rule 2080] Federally Enforceable Through Title V Permit
24. Emission rates shall not exceed any of the following: PM10: 0.0032 lb/MMBtu; or VOC: 0.0055 lb/MMBtu. [District Rule 2201] Federally Enforceable Through Title V Permit
25. Emission rates, except during startup, shutdown, commissioning, and refractory curing shall not exceed: NOx (as NO₂): 7 ppmvd @ 3% O₂ or 0.0085 lb/MMBtu; or CO: 25 ppmvd @ 3% O₂ or 0.0185 lb/MMBtu. [District Rules 2201, 4305, 4306, and 4320] Federally Enforceable Through Title V Permit
26. Duration of start-up and shutdown shall not exceed 2 hours each per occurrence. [District Rules 2201, 4305, 4306, and 4320] Federally Enforceable Through Title V Permit
27. If the unit is fired on noncertified gaseous fuel and compliance with SOx emission limits is achieved through fuel sulfur content limitations, then the sulfur content of the gaseous fuel being fired in the unit shall be determined using ASTM D 1072, D 3031, D 3246, D 4084, D 4468, D 6667 or grab sample analysis by GC-FPD/TCD performed in the laboratory. [District Rule 1070, 2201, and 4320] Federally Enforceable Through Title V Permit
28. When complying with sulfur emission limits by fuel analysis or by a combination of source testing and fuel analysis, each fuel source shall be tested weekly for sulfur content and higher heating value. If compliance with the fuel sulfur content limit and sulfur emission limits has been demonstrated for 8 consecutive weeks for a fuel source, then the fuel testing frequency shall be semi-annually. If a semi-annual fuel content source test fails to show compliance, weekly testing shall resume. [District Rules 1070, 2201, and 4320] Federally Enforceable Through Title V Permit
29. If fuel analysis is used to demonstrate compliance with conditions of this permit, the fuel higher heating value for each fuel shall be certified by a third party fuel supplier or determined by ASTM D 1826 or D 1945 in conjunction with ASTM D 3588 for gaseous fuels. [District Rules 1070, 2201, and 4320] Federally Enforceable Through Title V Permit
30. The permittee shall monitor and record the stack concentration of NOx, CO, and O₂ at least once every month (in which a source test is not performed) using a portable emission monitor that meets District specifications. Monitoring shall not be required if the unit is not in operation, i.e. the unit need not be started solely to perform monitoring. Monitoring shall be performed within 5 days of restarting the unit unless monitoring has been performed within the last month. [District Rules 2520, 4305, 4306, and 4320] Federally Enforceable Through Title V Permit

CONDITIONS CONTINUE ON NEXT PAGE

31. If either the NO_x or CO concentrations corrected to 3% O₂, as measured by the portable analyzer, exceed the allowable emissions concentration, the permittee shall return the emissions to within the acceptable range as soon as possible, but no longer than 1 hour of operation after detection. If the portable analyzer readings continue to exceed the allowable emissions concentration after 1 hour of operation after detection, the permittee shall notify the District within the following 1 hour and conduct a certified source test within 60 days of the first exceedance. In lieu of conducting a source test, the permittee may stipulate a violation has occurred, subject to enforcement action. The permittee must then correct the violation, show compliance has been re-established, and resume monitoring procedures. If the deviations are the result of a qualifying breakdown condition pursuant to Rule 1100, the permittee may fully comply with Rule 1100 in lieu of the performing the notification and testing required by this condition. [District Rules 2520, 4305, 4306, and 4320] Federally Enforceable Through Title V Permit
32. All alternate monitoring parameter emission readings shall be taken with the unit operating either at conditions representative of normal operations or conditions specified in the Permit to Operate. The analyzer shall be calibrated, maintained, and operated in accordance with the manufacturer's specifications and recommendations or a protocol approved by the APCO. Emission readings taken shall be averaged over a 15 consecutive-minute period by either taking a cumulative 15 consecutive-minute sample reading or by taking at least five (5) readings, evenly spaced out over the 15 consecutive-minute period. [District Rules 2520, 4305, 4306, and 4320] Federally Enforceable Through Title V Permit
33. The permittee shall maintain records of: (1) the date and time of NO_x, CO, and O₂ measurements, (2) the O₂ concentration in percent and the measured NO_x and CO concentrations corrected to 3% O₂, (3) make and model of exhaust gas analyzer, (4) exhaust gas analyzer calibration records, and (5) a description of any corrective action taken to maintain the emissions within the acceptable range. [District Rules 2520, 4305, 4306, and 4320] Federally Enforceable Through Title V Permit
34. Compliance demonstration (source testing) shall be by District witnessed, or authorized, sample collection by ARB certified laboratory. [District Rule 1081] Federally Enforceable Through Title V Permit
35. All required source testing shall conform to the compliance testing procedures described in District Rule 1081 (Amended December 16, 1993). [District Rule 1081, and County Rules 108 (Kings), 108.1 (Fresno, Merced, San Joaquin, Tulare, Kern, and Stanislaus), and 110 (Madera)] Federally Enforceable Through Title V Permit
36. Source testing to measure NO_x and CO emissions from this unit shall be conducted within 60 days of initial start-up. [District Rules 2201, 4305, 4306, and 4320] Federally Enforceable Through Title V Permit
37. Source testing to measure natural gas-combustion NO_x and CO emissions from this unit shall be conducted at least once every twelve (12) months. After demonstrating compliance on two (2) consecutive annual source tests, the unit shall be tested not less than once every thirty-six (36) months. If the result of the 36-month source test demonstrates that the unit does not meet the applicable emission limits, the source testing frequency shall revert to at least once every twelve (12) months. [District Rules 2201, 4305, 4306, and 4320] Federally Enforceable Through Title V Permit
38. The source test plan shall identify which basis (ppmv or lb/MMBtu) will be used to demonstrate compliance. [District Rules 4305, 4306, and 4320] Federally Enforceable Through Title V Permit
39. Source testing shall be conducted using the methods and procedures approved by the District. The District must be notified at least 30 days prior to any compliance source test, and a source test plan must be submitted for approval at least 15 days prior to testing. [District Rule 1081] Federally Enforceable Through Title V Permit
40. The following test methods shall be used: NO_x (ppmv) - EPA Method 7E or ARB Method 100, NO_x (lb/MMBtu) - EPA Method 19, CO (ppmv) - EPA Method 10 or 10B or ARB Method 100, stack gas oxygen - EPA Method 3 or 3A or ARB Method 100, SO_x (lb/MMBtu) - ARB Method 8 or 100 or EPA Method 6, 6B, 6C, or 8, or fuel gas sulfur content analysis and EPA Method 19, fuel gas sulfur content - ASTM D1072, D3031, D3246, D4084, D4468, D6667 or double GC for H₂S and mercaptans performed in laboratory, fuel gas hhv - ASTM D1826 or D1945 in conjunction with ASTM D3588. [District Rules 1081, 4305, 4306, and 4320] Federally Enforceable Through Title V Permit
41. For emissions source testing, the arithmetic average of three 30-consecutive-minute test runs shall apply. If two of three runs are above an applicable limit the test cannot be used to demonstrate compliance with an applicable limit. [District Rules 4305, 4306, and 4320] Federally Enforceable Through Title V Permit

CONDITIONS CONTINUE ON NEXT PAGE

42. All emissions measurements shall be made with the unit operating either at conditions representative of normal operations or conditions specified in the Permit to Operate. No determination of compliance shall be established within two hours after a continuous period in which fuel flow to the unit is shut off for 30 minutes or longer, or within 30 minutes after a re-ignition as defined in District Rules 4305 and 4320. [District Rules 4305, 4306, and 4320] Federally Enforceable Through Title V Permit
43. The results of each source test shall be submitted to the District within 60 days thereafter. [District Rule 1081] Federally Enforceable Through Title V Permit
44. Copies of all gas purchase contracts, supplier certifications, and test results to determine compliance with the conditions of this permit shall be maintained. The operator shall record daily amount and type(s) of fuel(s) combusted, fuel sources, and all dates on which unit is fired on any noncertified fuel and record specific type of noncertified fuel used. [District Rule 2520, 9.4.2] Federally Enforceable Through Title V Permit
45. Prior to operating equipment under this Authority to Construct, permittee shall surrender emission reduction credits for the following quantities of emissions: NOx: 2374 lb/quarter; PM10: 894 lb/quarter, and VOC: 1536 lb/qtr. Offsets include the applicable offset ratio specified in Section 4.8 of Rule 2201 (as amended 9/21/06). [District Rule 2201] Federally Enforceable Through Title V Permit
46. ERC Certificate Numbers S-3629-2 (NOx), S-3145-1 (VOC), and S-3598-4 (PM10) (or certificates split from these certificates) shall be used to supply the required offsets, unless a revised offsetting proposal is received and approved by the District, upon which this Authority to Construct shall be reissued, administratively specifying the new offsetting proposal. Original public noticing requirements, if any, shall be duplicated prior to reissuance of this Authority to Construct. [District Rule 2201] Federally Enforceable Through Title V Permit
47. Permittee shall maintain a record of the duration of each startup of this unit. [District Rule 4306] Federally Enforceable Through Title V Permit
48. All records shall be maintained and retained on-site for a period of at least 5 years and shall be made available for District inspection upon request. [District Rule 1070, 4305, 4306, and 4320] Federally Enforceable Through Title V Permit



AUTHORITY TO CONSTRUCT

PERMIT NO: S-2010-278-0

ISSUANCE DATE: 03/01/2012

LEGAL OWNER OR OPERATOR: CHEVRON USA INC
MAILING ADDRESS: PO BOX 1392
BAKERSFIELD, CA 93302

LOCATION: LIGHT OIL WESTERN STATIONARY SOURCE
CA

EQUIPMENT DESCRIPTION:

85 MMBTU/HR NATURAL GAS-FIRED STEAM GENERATOR WITH NORTH AMERICAN MODEL 4231-85-GLE LOW-NOX BURNER ASSEMBLY, OR EQUIVALENT LOW-NOX BURNER, WITH FLUE GAS RECIRCULATION, APPROVED TO OPERATE AT VARIOUS LOCATIONS

CONDITIONS

1. This Authority to Construct serves as a written certificate of conformity with the procedural requirements of 40 CFR 70.7 and 70.8 and with the compliance requirements of 40 CFR 70.6(c). [District Rule 2520] Federally Enforceable Through Title V Permit
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3. Chevron will surrender ERCs sufficient to offset operational emissions as required by District NSR requirements. [Public Resources Code 21000-21177: California Environmental Quality Act]
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DAVID WARNER, Director of Permit Services

S-2010-278-0 : Mar 1 2012 9:02AM - EDGEHLR : Joint Inspection NOT Required

5. If sensitive species or their nests/dens are detected in the pre-construction survey, the appropriate standardized avoidance measures will be implemented to preclude take of the species. If standardized avoidance measures cannot be achieved Chevron will consult with the CDFG and USFWS to develop alternative compliance measures. If standardized avoidance measures fail and there is a take of a threatened or endangered species Chevron will notify USFWS and CDFG immediately. [Public Resources Code 21000-21177: California Environmental Quality Act]
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14. The permittee shall notify the District Compliance Division of each location at which the operation is located in excess of 24 hours. Such notification shall be made no later than 48 hours after starting operation at the location. [District Rule 1070] Federally Enforceable Through Title V Permit
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16. The permittee's request for approval of equivalent equipment shall include the make, model, manufacturer's maximum rating, manufacturer's guaranteed emission rates, equipment drawing(s), and operational characteristics/parameters. [District Rule 2010] Federally Enforceable Through Title V Permit
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21. The maximum duration of commissioning, i.e. adjustment and tuning of the unit for proper operation and compliance with permitted emissions limits, shall not exceed 60 days from initial startup. [District Rule 2080] Federally Enforceable Through Title V Permit
22. Total duration of startup, shutdown, commissioning, refractory curing operation shall not exceed 300 hours per calendar year. Permittee shall maintain records of the date and duration of each activity and the total hours of such operation for the calendar year. [District Rule 2080] Federally Enforceable Through Title V Permit
23. Permittee shall submit written notification to the District prior to commissioning or refractory curing activities. Such notification shall include anticipated beginning and ending dates of such activities. [District Rule 2080] Federally Enforceable Through Title V Permit
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26. Duration of start-up and shutdown shall not exceed 2 hours each per occurrence. [District Rules 2201, 4305, 4306, and 4320] Federally Enforceable Through Title V Permit
27. If the unit is fired on noncertified gaseous fuel and compliance with SOx emission limits is achieved through fuel sulfur content limitations, then the sulfur content of the gaseous fuel being fired in the unit shall be determined using ASTM D 1072, D 3031, D 3246, D 4084, D 4468, D 6667 or grab sample analysis by GC-FPD/TCD performed in the laboratory. [District Rule 1070, 2201, and 4320] Federally Enforceable Through Title V Permit
28. When complying with sulfur emission limits by fuel analysis or by a combination of source testing and fuel analysis, each fuel source shall be tested weekly for sulfur content and higher heating value. If compliance with the fuel sulfur content limit and sulfur emission limits has been demonstrated for 8 consecutive weeks for a fuel source, then the fuel testing frequency shall be semi-annually. If a semi-annual fuel content source test fails to show compliance, weekly testing shall resume. [District Rules 1070, 2201, and 4320] Federally Enforceable Through Title V Permit
29. If fuel analysis is used to demonstrate compliance with conditions of this permit, the fuel higher heating value for each fuel shall be certified by a third party fuel supplier or determined by ASTM D 1826 or D 1945 in conjunction with ASTM D 3588 for gaseous fuels. [District Rules 1070, 2201, and 4320] Federally Enforceable Through Title V Permit
30. The permittee shall monitor and record the stack concentration of NOx, CO, and O2 at least once every month (in which a source test is not performed) using a portable emission monitor that meets District specifications. Monitoring shall not be required if the unit is not in operation, i.e. the unit need not be started solely to perform monitoring. Monitoring shall be performed within 5 days of restarting the unit unless monitoring has been performed within the last month. [District Rules 2520, 4305, 4306, and 4320] Federally Enforceable Through Title V Permit

CONDITIONS CONTINUE ON NEXT PAGE

31. If either the NO_x or CO concentrations corrected to 3% O₂, as measured by the portable analyzer, exceed the allowable emissions concentration, the permittee shall return the emissions to within the acceptable range as soon as possible, but no longer than 1 hour of operation after detection. If the portable analyzer readings continue to exceed the allowable emissions concentration after 1 hour of operation after detection, the permittee shall notify the District within the following 1 hour and conduct a certified source test within 60 days of the first exceedance. In lieu of conducting a source test, the permittee may stipulate a violation has occurred, subject to enforcement action. The permittee must then correct the violation, show compliance has been re-established, and resume monitoring procedures. If the deviations are the result of a qualifying breakdown condition pursuant to Rule 1100, the permittee may fully comply with Rule 1100 in lieu of the performing the notification and testing required by this condition. [District Rules 2520, 4305, 4306, and 4320] Federally Enforceable Through Title V Permit
32. All alternate monitoring parameter emission readings shall be taken with the unit operating either at conditions representative of normal operations or conditions specified in the Permit to Operate. The analyzer shall be calibrated, maintained, and operated in accordance with the manufacturer's specifications and recommendations or a protocol approved by the APCO. Emission readings taken shall be averaged over a 15 consecutive-minute period by either taking a cumulative 15 consecutive-minute sample reading or by taking at least five (5) readings, evenly spaced out over the 15 consecutive-minute period. [District Rules 2520, 4305, 4306, and 4320] Federally Enforceable Through Title V Permit
33. The permittee shall maintain records of: (1) the date and time of NO_x, CO, and O₂ measurements, (2) the O₂ concentration in percent and the measured NO_x and CO concentrations corrected to 3% O₂, (3) make and model of exhaust gas analyzer, (4) exhaust gas analyzer calibration records, and (5) a description of any corrective action taken to maintain the emissions within the acceptable range. [District Rules 2520, 4305, 4306, and 4320] Federally Enforceable Through Title V Permit
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36. Source testing to measure NO_x and CO emissions from this unit shall be conducted within 60 days of initial start-up. [District Rules 2201, 4305, 4306, and 4320] Federally Enforceable Through Title V Permit
37. Source testing to measure natural gas-combustion NO_x and CO emissions from this unit shall be conducted at least once every twelve (12) months. After demonstrating compliance on two (2) consecutive annual source tests, the unit shall be tested not less than once every thirty-six (36) months. If the result of the 36-month source test demonstrates that the unit does not meet the applicable emission limits, the source testing frequency shall revert to at least once every twelve (12) months. [District Rules 2201, 4305, 4306, and 4320] Federally Enforceable Through Title V Permit
38. The source test plan shall identify which basis (ppmv or lb/MMBtu) will be used to demonstrate compliance. [District Rules 4305, 4306, and 4320] Federally Enforceable Through Title V Permit
39. Source testing shall be conducted using the methods and procedures approved by the District. The District must be notified at least 30 days prior to any compliance source test, and a source test plan must be submitted for approval at least 15 days prior to testing. [District Rule 1081] Federally Enforceable Through Title V Permit
40. The following test methods shall be used: NO_x (ppmv) - EPA Method 7E or ARB Method 100, NO_x (lb/MMBtu) - EPA Method 19, CO (ppmv) - EPA Method 10 or 10B or ARB Method 100, stack gas oxygen - EPA Method 3 or 3A or ARB Method 100, SO_x (lb/MMBtu) - ARB Method 8 or 100 or EPA Method 6, 6B, 6C, or 8, or fuel gas sulfur content analysis and EPA Method 19, fuel gas sulfur content - ASTM D1072, D3031, D3246, D4084, D4468, D6667 or double GC for H₂S and mercaptans performed in laboratory, fuel gas h_hv - ASTM D1826 or D1945 in conjunction with ASTM D3588. [District Rules 1081, 4305, 4306, and 4320] Federally Enforceable Through Title V Permit
41. For emissions source testing, the arithmetic average of three 30-consecutive-minute test runs shall apply. If two of three runs are above an applicable limit the test cannot be used to demonstrate compliance with an applicable limit. [District Rules 4305, 4306, and 4320] Federally Enforceable Through Title V Permit

CONDITIONS CONTINUE ON NEXT PAGE

42. All emissions measurements shall be made with the unit operating either at conditions representative of normal operations or conditions specified in the Permit to Operate. No determination of compliance shall be established within two hours after a continuous period in which fuel flow to the unit is shut off for 30 minutes or longer, or within 30 minutes after a re-ignition as defined in District Rules 4306 and 4320. [District Rules 4305, 4306, and 4320] Federally Enforceable Through Title V Permit
43. The results of each source test shall be submitted to the District within 60 days thereafter. [District Rule 1081] Federally Enforceable Through Title V Permit
44. Copies of all gas purchase contracts, supplier certifications, and test results to determine compliance with the conditions of this permit shall be maintained. The operator shall record daily amount and type(s) of fuel(s) combusted, fuel sources, and all dates on which unit is fired on any noncertified fuel and record specific type of noncertified fuel used. [District Rule 2520, 9.4.2] Federally Enforceable Through Title V Permit
45. Prior to operating equipment under this Authority to Construct, permittee shall surrender emission reduction credits for the following quantities of emissions: NOx: 2374 lb/quarter; PM10: 894 lb/quarter, and VOC: 1536 lb/qtr. Offsets include the applicable offset ratio specified in Section 4.8 of Rule 2201 (as amended 9/21/06). [District Rule 2201] Federally Enforceable Through Title V Permit
46. ERC Certificate Numbers S-3629-2 (NOx), S-3145-1 (VOC), and S-3598-4 (PM10) (or certificates split from these certificates) shall be used to supply the required offsets, unless a revised offsetting proposal is received and approved by the District, upon which this Authority to Construct shall be reissued, administratively specifying the new offsetting proposal. Original public noticing requirements, if any, shall be duplicated prior to reissuance of this Authority to Construct. [District Rule 2201] Federally Enforceable Through Title V Permit
47. Permittee shall maintain a record of the duration of each startup of this unit. [District Rule 4306] Federally Enforceable Through Title V Permit
48. All records shall be maintained and retained on-site for a period of at least 5 years and shall be made available for District inspection upon request. [District Rule 1070, 4305, 4306, and 4320] Federally Enforceable Through Title V Permit



AUTHORITY TO CONSTRUCT

PERMIT NO: S-2010-279-0

ISSUANCE DATE: 03/01/2012

LEGAL OWNER OR OPERATOR: CHEVRON USA INC
MAILING ADDRESS: PO BOX 1392
BAKERSFIELD, CA 93302

LOCATION: LIGHT OIL WESTERN STATIONARY SOURCE
CA

EQUIPMENT DESCRIPTION:
85 MMBTU/HR NATURAL GAS-FIRED STEAM GENERATOR WITH NORTH AMERICAN MODEL 4231-85-GLE LOW-NOX BURNER ASSEMBLY, OR EQUIVALENT LOW-NOX BURNER, WITH FLUE GAS RECIRCULATION, APPROVED TO OPERATE AT VARIOUS LOCATIONS

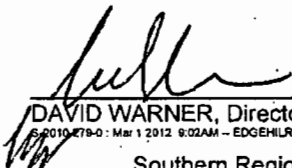
CONDITIONS

1. This Authority to Construct serves as a written certificate of conformity with the procedural requirements of 40 CFR 70.7 and 70.8 and with the compliance requirements of 40 CFR 70.6(c). [District Rule 2520] Federally Enforceable Through Title V Permit
2. Prior to operating with modifications authorized by this Authority to Construct, the facility shall submit an application to modify the Title V permit with an administrative amendment in accordance with District Rule 2520 Section 5.3.4. [District Rule 2520, 5.3.4] Federally Enforceable Through Title V Permit
3. Chevron will surrender ERCs sufficient to offset operational emissions as required by District NSR requirements. [Public Resources Code 21000-21177: California Environmental Quality Act]
4. A qualified registered biologist will conduct a focused pre-construction survey to determine the presence/absence of potential impacts on sensitive species prior to the onset of ground disturbance. The survey shall be conducted in accordance with the standard protocol of the USFWS and CDFG. If more than 30 days pass before the onset of ground disturbance, an additional survey shall be conducted by a Certified Biological Representative within 30 days prior to the onset of ground disturbance. [Public Resources Code 21000-21177: California Environmental Quality Act]

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

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5. If sensitive species or their nests/dens are detected in the pre-construction survey, the appropriate standardized avoidance measures will be implemented to preclude take of the species. If standardized avoidance measures cannot be achieved Chevron will consult with the CDFG and USFWS to develop alternative compliance measures. If standardized avoidance measures fail and there is a take of a threatened or endangered species Chevron will notify USFWS and CDFG immediately. [Public Resources Code 21000-21177: California Environmental Quality Act]
6. A qualified registered biologist will conduct a focused pre-construction survey to determine the presence/absence of potential impacts on riparian habitats, sensitive natural communities and wetlands prior to the onset of ground disturbance. The survey shall be conducted in accordance with the standard protocol of the USFWS and CDFG. If more than 30 days pass before the onset of ground disturbance, an additional survey shall be conducted by a Certified Biological Representative within 30 days prior to the onset of ground disturbance. [Public Resources Code 21000-21177: California Environmental Quality Act]
7. A qualified registered biologist will conduct a focused pre-construction survey to determine the presence/absence of potential impacts on migratory corridors prior to the onset of ground disturbance. The survey shall be conducted in accordance with the standard protocol of the USFWS and CDFG. If more than 30 days pass before the onset of ground disturbance, an additional survey shall be conducted by a Certified Biological Representative within 30 days prior to the onset of ground disturbance. [Public Resources Code 21000-21177: California Environmental Quality Act]
8. In the event that archaeological/paleontological resources are discovered during ground-disturbing activities associated with construction of the proposed Project, all work within 100 feet of the find shall cease. Chevron will notify and retain a qualified archaeologist/paleontologist to assess and provide an evaluation of the significance of the find. Chevron shall determine whether avoidance is necessary and feasible in light of the factors such as the nature of the find, project design, costs, and other considerations, and, if necessary, develop appropriate mitigation measures in consultation with Kern County and other appropriate agencies and individuals. Work may resume on the Project site once the evaluation of the find is complete by the qualified archaeologist/paleontologist. [Public Resources Code 21000-21177: California Environmental Quality Act]
9. In the event that human remains are discovered during construction of the Project, all work within 100 feet shall be ceased and the discovery will immediately be reported to the County Coroner. If the remains are determined to be Native American in origin, the County Coroner shall notify the Native American Heritage Commission (NAHC) within 24 hours of the determination. The NAHC will solicit those persons it believe to be the nearest descendants of the remains for recommendations. Chevron shall, in consultation with the identified descendants of the remains and/or NAHC, will identify the appropriate measures for the treatment or disposition of the remains. [Public Resources Code 21000-21177: California Environmental Quality Act]
10. Prior to the start of construction activities, Chevron shall provide the District with documentation demonstrating that maps identifying all wells in the vicinity of the sites have been submitted to DOGGR for compliance with DOGGR's "Well Review Program". [Public Resources Code 21000-21177: California Environmental Quality Act]
11. During construction activities, if unknown, unrecorded or abandoned wells are discovered or if any wells are damaged, Chevron shall immediately notify DOGGR. [Public Resources Code 21000-21177: California Environmental Quality Act]
12. Any wells discovered or exposed during construction activities will be tested for flammable vapors. [Public Resources Code 21000-21177: California Environmental Quality Act]
13. This steam generator is permitted to operate at the following locations: Section 29 T26S/R21E, SE, SW Section 32, T26S/R21E, and NW, SW Section 33 T26S/R21E. [District Rule 4102] Federally Enforceable Through Title V Permit
14. The permittee shall notify the District Compliance Division of each location at which the operation is located in excess of 24 hours. Such notification shall be made no later than 48 hours after starting operation at the location. [District Rule 1070] Federally Enforceable Through Title V Permit
15. The permittee shall obtain written District approval for the use of any equivalent equipment not specifically approved by this Authority to Construct. Approval of the equivalent equipment shall be made only after the District's determination that the submitted design and performance of the proposed alternate equipment is equivalent to the specifically authorized equipment. [District Rule 2201] Federally Enforceable Through Title V Permit

CONDITIONS CONTINUE ON NEXT PAGE

16. The permittee's request for approval of equivalent equipment shall include the make, model, manufacturer's maximum rating, manufacturer's guaranteed emission rates, equipment drawing(s), and operational characteristics/parameters. [District Rule 2010] Federally Enforceable Through Title V Permit
17. Alternate equipment shall be of the same class and category of source as the equipment authorized by the Authority to Construct. [District Rule 2201] Federally Enforceable Through Title V Permit
18. No emission factor and no emission shall be greater for the alternate equipment than for the proposed equipment. No changes in the hours of operation, operating rate, throughput, or firing rate may be authorized for any alternate equipment. [District Rule 2201] Federally Enforceable Through Title V Permit
19. Flue gas recirculation (FGR) shall be utilized in conjunction with low-NOx burner to maintain ongoing compliance with permitted emission limits. [District Rule 2201] Federally Enforceable Through Title V Permit
20. Natural gas fuel sulfur content shall not exceed 1.0 grains-S/100 scf. [District Rule 2201] Federally Enforceable Through Title V Permit
21. The maximum duration of commissioning, i.e. adjustment and tuning of the unit for proper operation and compliance with permitted emissions limits, shall not exceed 60 days from initial startup. [District Rule 2080] Federally Enforceable Through Title V Permit
22. Total duration of startup, shutdown, commissioning, refractory curing operation shall not exceed 300 hours per calendar year. Permittee shall maintain records of the date and duration of each activity and the total hours of such operation for the calendar year. [District Rule 2080] Federally Enforceable Through Title V Permit
23. Permittee shall submit written notification to the District prior to commissioning or refractory curing activities. Such notification shall include anticipated beginning and ending dates of such activities. [District Rule 2080] Federally Enforceable Through Title V Permit
24. Emission rates shall not exceed any of the following: PM10: 0.0032 lb/MMBtu; or VOC: 0.0055 lb/MMBtu. [District Rule 2201] Federally Enforceable Through Title V Permit
25. Emission rates, except during startup, shutdown, commissioning, and refractory curing shall not exceed: NOx (as NO2): 7 ppmvd @ 3% O2 or 0.0085 lb/MMBtu; or CO: 25 ppmvd @ 3% O2 or 0.0185 lb/MMBtu. [District Rules 2201, 4305, 4306, and 4320] Federally Enforceable Through Title V Permit
26. Duration of start-up and shutdown shall not exceed 2 hours each per occurrence. [District Rules 2201, 4305, 4306, and 4320] Federally Enforceable Through Title V Permit
27. If the unit is fired on noncertified gaseous fuel and compliance with SOx emission limits is achieved through fuel sulfur content limitations, then the sulfur content of the gaseous fuel being fired in the unit shall be determined using ASTM D 1072, D 3031, D 3246, D 4084, D 4468, D 6667 or grab sample analysis by GC-FPD/TCD performed in the laboratory. [District Rule 1070, 2201, and 4320] Federally Enforceable Through Title V Permit
28. When complying with sulfur emission limits by fuel analysis or by a combination of source testing and fuel analysis, each fuel source shall be tested weekly for sulfur content and higher heating value. If compliance with the fuel sulfur content limit and sulfur emission limits has been demonstrated for 8 consecutive weeks for a fuel source, then the fuel testing frequency shall be semi-annually. If a semi-annual fuel content source test fails to show compliance, weekly testing shall resume. [District Rules 1070, 2201, and 4320] Federally Enforceable Through Title V Permit
29. If fuel analysis is used to demonstrate compliance with conditions of this permit, the fuel higher heating value for each fuel shall be certified by a third party fuel supplier or determined by ASTM D 1826 or D 1945 in conjunction with ASTM D 3588 for gaseous fuels. [District Rules 1070, 2201, and 4320] Federally Enforceable Through Title V Permit
30. The permittee shall monitor and record the stack concentration of NOx, CO, and O2 at least once every month (in which a source test is not performed) using a portable emission monitor that meets District specifications. Monitoring shall not be required if the unit is not in operation, i.e. the unit need not be started solely to perform monitoring. Monitoring shall be performed within 5 days of restarting the unit unless monitoring has been performed within the last month. [District Rules 2520, 4305, 4306, and 4320] Federally Enforceable Through Title V Permit

31. If either the NO_x or CO concentrations corrected to 3% O₂, as measured by the portable analyzer, exceed the allowable emissions concentration, the permittee shall return the emissions to within the acceptable range as soon as possible, but no longer than 1 hour of operation after detection. If the portable analyzer readings continue to exceed the allowable emissions concentration after 1 hour of operation after detection, the permittee shall notify the District within the following 1 hour and conduct a certified source test within 60 days of the first exceedance. In lieu of conducting a source test, the permittee may stipulate a violation has occurred, subject to enforcement action. The permittee must then correct the violation, show compliance has been re-established, and resume monitoring procedures. If the deviations are the result of a qualifying breakdown condition pursuant to Rule 1100, the permittee may fully comply with Rule 1100 in lieu of the performing the notification and testing required by this condition. [District Rules 2520, 4305, 4306, and 4320] Federally Enforceable Through Title V Permit
32. All alternate monitoring parameter emission readings shall be taken with the unit operating either at conditions representative of normal operations or conditions specified in the Permit to Operate. The analyzer shall be calibrated, maintained, and operated in accordance with the manufacturer's specifications and recommendations or a protocol approved by the APCO. Emission readings taken shall be averaged over a 15 consecutive-minute period by either taking a cumulative 15 consecutive-minute sample reading or by taking at least five (5) readings, evenly spaced out over the 15 consecutive-minute period. [District Rules 2520, 4305, 4306, and 4320] Federally Enforceable Through Title V Permit
33. The permittee shall maintain records of: (1) the date and time of NO_x, CO, and O₂ measurements, (2) the O₂ concentration in percent and the measured NO_x and CO concentrations corrected to 3% O₂, (3) make and model of exhaust gas analyzer, (4) exhaust gas analyzer calibration records, and (5) a description of any corrective action taken to maintain the emissions within the acceptable range. [District Rules 2520, 4305, 4306, and 4320] Federally Enforceable Through Title V Permit
34. Compliance demonstration (source testing) shall be by District witnessed, or authorized, sample collection by ARB certified laboratory. [District Rule 1081] Federally Enforceable Through Title V Permit
35. All required source testing shall conform to the compliance testing procedures described in District Rule 1081 (Amended December 16, 1993). [District Rule 1081, and County Rules 108 (Kings), 108.1 (Fresno, Merced, San Joaquin, Tulare, Kern, and Stanislaus), and 110 (Madera)] Federally Enforceable Through Title V Permit
36. Source testing to measure NO_x and CO emissions from this unit shall be conducted within 60 days of initial start-up. [District Rules 2201, 4305, 4306, and 4320] Federally Enforceable Through Title V Permit
37. Source testing to measure natural gas-combustion NO_x and CO emissions from this unit shall be conducted at least once every twelve (12) months. After demonstrating compliance on two (2) consecutive annual source tests, the unit shall be tested not less than once every thirty-six (36) months. If the result of the 36-month source test demonstrates that the unit does not meet the applicable emission limits, the source testing frequency shall revert to at least once every twelve (12) months. [District Rules 2201, 4305, 4306, and 4320] Federally Enforceable Through Title V Permit
38. The source test plan shall identify which basis (ppmv or lb/MMBtu) will be used to demonstrate compliance. [District Rules 4305, 4306, and 4320] Federally Enforceable Through Title V Permit
39. Source testing shall be conducted using the methods and procedures approved by the District. The District must be notified at least 30 days prior to any compliance source test, and a source test plan must be submitted for approval at least 15 days prior to testing. [District Rule 1081] Federally Enforceable Through Title V Permit
40. The following test methods shall be used: NO_x (ppmv) - EPA Method 7E or ARB Method 100, NO_x (lb/MMBtu) - EPA Method 19, CO (ppmv) - EPA Method 10 or 10B or ARB Method 100, stack gas oxygen - EPA Method 3 or 3A or ARB Method 100, SO_x (lb/MMBtu) - ARB Method 8 or 100 or EPA Method 6, 6B, 6C, or 8, or fuel gas sulfur content analysis and EPA Method 19, fuel gas sulfur content - ASTM D1072, D3031, D3246, D4084, D4468, D6667 or double GC for H₂S and mercaptans performed in laboratory, fuel gas h_hv - ASTM D1826 or D1945 in conjunction with ASTM D3588. [District Rules 1081, 4305, 4306, and 4320] Federally Enforceable Through Title V Permit
41. For emissions source testing, the arithmetic average of three 30-consecutive-minute test runs shall apply. If two of three runs are above an applicable limit the test cannot be used to demonstrate compliance with an applicable limit. [District Rules 4305, 4306, and 4320] Federally Enforceable Through Title V Permit

CONDITIONS CONTINUE ON NEXT PAGE

42. All emissions measurements shall be made with the unit operating either at conditions representative of normal operations or conditions specified in the Permit to Operate. No determination of compliance shall be established within two hours after a continuous period in which fuel flow to the unit is shut off for 30 minutes or longer, or within 30 minutes after a re-ignition as defined in District Rules 4306 and 4320. [District Rules 4305, 4306, and 4320] Federally Enforceable Through Title V Permit
43. The results of each source test shall be submitted to the District within 60 days thereafter. [District Rule 1081] Federally Enforceable Through Title V Permit
44. Copies of all gas purchase contracts, supplier certifications, and test results to determine compliance with the conditions of this permit shall be maintained. The operator shall record daily amount and type(s) of fuel(s) combusted, fuel sources, and all dates on which unit is fired on any noncertified fuel and record specific type of noncertified fuel used. [District Rule 2520, 9.4.2] Federally Enforceable Through Title V Permit
45. Prior to operating equipment under this Authority to Construct, permittee shall surrender emission reduction credits for the following quantities of emissions: NO_x: 2374 lb/quarter; PM₁₀: 894 lb/quarter, and VOC: 1536 lb/qtr. Offsets include the applicable offset ratio specified in Section 4.8 of Rule 2201 (as amended 9/21/06). [District Rule 2201] Federally Enforceable Through Title V Permit
46. ERC Certificate Numbers S-3629-2 (NO_x), S-3145-1 (VOC), and S-3598-4 (PM₁₀) (or certificates split from these certificates) shall be used to supply the required offsets, unless a revised offsetting proposal is received and approved by the District, upon which this Authority to Construct shall be reissued, administratively specifying the new offsetting proposal. Original public noticing requirements, if any, shall be duplicated prior to reissuance of this Authority to Construct. [District Rule 2201] Federally Enforceable Through Title V Permit
47. Permittee shall maintain a record of the duration of each startup of this unit. [District Rule 4306] Federally Enforceable Through Title V Permit
48. All records shall be maintained and retained on-site for a period of at least 5 years and shall be made available for District inspection upon request. [District Rule 1070, 4305, 4306, and 4320] Federally Enforceable Through Title V Permit



AUTHORITY TO CONSTRUCT

PERMIT NO: S-2010-280-0

ISSUANCE DATE: 03/01/2012

LEGAL OWNER OR OPERATOR: CHEVRON USA INC
MAILING ADDRESS: PO BOX 1392
BAKERSFIELD, CA 93302

LOCATION: LIGHT OIL WESTERN STATIONARY SOURCE
CA

EQUIPMENT DESCRIPTION:
85 MMBTU/HR NATURAL GAS-FIRED STEAM GENERATOR WITH NORTH AMERICAN MODEL 4231-85-GLE LOW-NOX BURNER ASSEMBLY, OR EQUIVALENT LOW-NOX BURNER, WITH FLUE GAS RECIRCULATION, APPROVED TO OPERATE AT VARIOUS LOCATIONS

CONDITIONS

1. This Authority to Construct serves as a written certificate of conformity with the procedural requirements of 40 CFR 70.7 and 70.8 and with the compliance requirements of 40 CFR 70.6(c). [District Rule 2520] Federally Enforceable Through Title V Permit
2. Prior to operating with modifications authorized by this Authority to Construct, the facility shall submit an application to modify the Title V permit with an administrative amendment in accordance with District Rule 2520 Section 5.3.4. [District Rule 2520, 5.3.4] Federally Enforceable Through Title V Permit
3. Chevron will surrender ERCs sufficient to offset operational emissions as required by District NSR requirements. [Public Resources Code 21000-21177: California Environmental Quality Act]
4. A qualified registered biologist will conduct a focused pre-construction survey to determine the presence/absence of potential impacts on sensitive species prior to the onset of ground disturbance. The survey shall be conducted in accordance with the standard protocol of the USFWS and CDFG. If more than 30 days pass before the onset of ground disturbance, an additional survey shall be conducted by a Certified Biological Representative within 30 days prior to the onset of ground disturbance. [Public Resources Code 21000-21177: California Environmental Quality Act]

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-2010-280-0 : Mar 1 2012 9:02AM - EDGEHILR : Joint Inspection NOT Required

5. If sensitive species or their nests/dens are detected in the pre-construction survey, the appropriate standardized avoidance measures will be implemented to preclude take of the species. If standardized avoidance measures cannot be achieved Chevron will consult with the CDFG and USFWS to develop alternative compliance measures. If standardized avoidance measures fail and there is a take of a threatened or endangered species Chevron will notify USFWS and CDFG immediately. [Public Resources Code 21000-21177: California Environmental Quality Act]
6. A qualified registered biologist will conduct a focused pre-construction survey to determine the presence/absence of potential impacts on riparian habitats, sensitive natural communities and wetlands prior to the onset of ground disturbance. The survey shall be conducted in accordance with the standard protocol of the USFWS and CDFG. If more than 30 days pass before the onset of ground disturbance, an additional survey shall be conducted by a Certified Biological Representative within 30 days prior to the onset of ground disturbance. [Public Resources Code 21000-21177: California Environmental Quality Act]
7. A qualified registered biologist will conduct a focused pre-construction survey to determine the presence/absence of potential impacts on migratory corridors prior to the onset of ground disturbance. The survey shall be conducted in accordance with the standard protocol of the USFWS and CDFG. If more than 30 days pass before the onset of ground disturbance, an additional survey shall be conducted by a Certified Biological Representative within 30 days prior to the onset of ground disturbance. [Public Resources Code 21000-21177: California Environmental Quality Act]
8. In the event that archaeological/paleontological resources are discovered during ground-disturbing activities associated with construction of the proposed Project, all work within 100 feet of the find shall cease. Chevron will notify and retain a qualified archaeologist/paleontologist to assess and provide an evaluation of the significance of the find. Chevron shall determine whether avoidance is necessary and feasible in light of the factors such as the nature of the find, project design, costs, and other considerations, and, if necessary, develop appropriate mitigation measures in consultation with Kern County and other appropriate agencies and individuals. Work may resume on the Project site once the evaluation of the find is complete by the qualified archaeologist/paleontologist. [Public Resources Code 21000-21177: California Environmental Quality Act]
9. In the event that human remains are discovered during construction of the Project, all work within 100 feet shall be ceased and the discovery will immediately be reported to the County Coroner. If the remains are determined to be Native American in origin, the County Coroner shall notify the Native American Heritage Commission (NAHC) within 24 hours of the determination. The NAHC will solicit those persons it believe to be the nearest descendants of the remains for recommendations. Chevron shall, in consultation with the identified descendants of the remains and/or NAHC, will identify the appropriate measures for the treatment or disposition of the remains. [Public Resources Code 21000-21177: California Environmental Quality Act]
10. Prior to the start of construction activities, Chevron shall provide the District with documentation demonstrating that maps identifying all wells in the vicinity of the sites have been submitted to DOGGR for compliance with DOGGR's "Well Review Program". [Public Resources Code 21000-21177: California Environmental Quality Act]
11. During construction activities, if unknown, unrecorded or abandoned wells are discovered or if any wells are damaged, Chevron shall immediately notify DOGGR. [Public Resources Code 21000-21177: California Environmental Quality Act]
12. Any wells discovered or exposed during construction activities will be tested for flammable vapors. [Public Resources Code 21000-21177: California Environmental Quality Act]
13. This steam generator is permitted to operate at the following locations: Section 29 T26S/R21E, SE, SW Section 32, T26S/R21E, and NW, SW Section 33 T26S/R21E. [District Rule 4102] Federally Enforceable Through Title V Permit
14. The permittee shall notify the District Compliance Division of each location at which the operation is located in excess of 24 hours. Such notification shall be made no later than 48 hours after starting operation at the location. [District Rule 1070] Federally Enforceable Through Title V Permit
15. The permittee shall obtain written District approval for the use of any equivalent equipment not specifically approved by this Authority to Construct. Approval of the equivalent equipment shall be made only after the District's determination that the submitted design and performance of the proposed alternate equipment is equivalent to the specifically authorized equipment. [District Rule 2201] Federally Enforceable Through Title V Permit

CONDITIONS CONTINUE ON NEXT PAGE

16. The permittee's request for approval of equivalent equipment shall include the make, model, manufacturer's maximum rating, manufacturer's guaranteed emission rates, equipment drawing(s), and operational characteristics/parameters. [District Rule 2010] Federally Enforceable Through Title V Permit
17. Alternate equipment shall be of the same class and category of source as the equipment authorized by the Authority to Construct. [District Rule 2201] Federally Enforceable Through Title V Permit
18. No emission factor and no emission shall be greater for the alternate equipment than for the proposed equipment. No changes in the hours of operation, operating rate, throughput, or firing rate may be authorized for any alternate equipment. [District Rule 2201] Federally Enforceable Through Title V Permit
19. Flue gas recirculation (FGR) shall be utilized in conjunction with low-NOx burner to maintain ongoing compliance with permitted emission limits. [District Rule 2201] Federally Enforceable Through Title V Permit
20. Natural gas fuel sulfur content shall not exceed 1.0 grains-S/100 scf. [District Rule 2201] Federally Enforceable Through Title V Permit
21. The maximum duration of commissioning, i.e. adjustment and tuning of the unit for proper operation and compliance with permitted emissions limits, shall not exceed 60 days from initial startup. [District Rule 2080] Federally Enforceable Through Title V Permit
22. Total duration of startup, shutdown, commissioning, refractory curing operation shall not exceed 300 hours per calendar year. Permittee shall maintain records of the date and duration of each activity and the total hours of such operation for the calendar year. [District Rule 2080] Federally Enforceable Through Title V Permit
23. Permittee shall submit written notification to the District prior to commissioning or refractory curing activities. Such notification shall include anticipated beginning and ending dates of such activities. [District Rule 2080] Federally Enforceable Through Title V Permit
24. Emission rates shall not exceed any of the following: PM10: 0.0032 lb/MMBtu; or VOC: 0.0055 lb/MMBtu. [District Rule 2201] Federally Enforceable Through Title V Permit
25. Emission rates, except during startup, shutdown, commissioning, and refractory curing shall not exceed: NOx (as NO2): 7 ppmvd @ 3% O2 or 0.0085 lb/MMBtu; or CO: 25 ppmvd @ 3% O2 or 0.0185 lb/MMBtu. [District Rules 2201, 4305, 4306, and 4320] Federally Enforceable Through Title V Permit
26. Duration of start-up and shutdown shall not exceed 2 hours each per occurrence. [District Rules 2201, 4305, 4306, and 4320] Federally Enforceable Through Title V Permit
27. If the unit is fired on noncertified gaseous fuel and compliance with SOx emission limits is achieved through fuel sulfur content limitations, then the sulfur content of the gaseous fuel being fired in the unit shall be determined using ASTM D 1072, D 3031, D 3246, D 4084, D 4468, D 6667 or grab sample analysis by GC-FPD/TCD performed in the laboratory. [District Rule 1070, 2201, and 4320] Federally Enforceable Through Title V Permit
28. When complying with sulfur emission limits by fuel analysis or by a combination of source testing and fuel analysis, each fuel source shall be tested weekly for sulfur content and higher heating value. If compliance with the fuel sulfur content limit and sulfur emission limits has been demonstrated for 8 consecutive weeks for a fuel source, then the fuel testing frequency shall be semi-annually. If a semi-annual fuel content source test fails to show compliance, weekly testing shall resume. [District Rules 1070, 2201, and 4320] Federally Enforceable Through Title V Permit
29. If fuel analysis is used to demonstrate compliance with conditions of this permit, the fuel higher heating value for each fuel shall be certified by a third party fuel supplier or determined by ASTM D 1826 or D 1945 in conjunction with ASTM D 3588 for gaseous fuels. [District Rules 1070, 2201, and 4320] Federally Enforceable Through Title V Permit
30. The permittee shall monitor and record the stack concentration of NOx, CO, and O2 at least once every month (in which a source test is not performed) using a portable emission monitor that meets District specifications. Monitoring shall not be required if the unit is not in operation, i.e. the unit need not be started solely to perform monitoring. Monitoring shall be performed within 5 days of restarting the unit unless monitoring has been performed within the last month. [District Rules 2520, 4305, 4306, and 4320] Federally Enforceable Through Title V Permit

CONDITIONS CONTINUE ON NEXT PAGE

31. If either the NO_x or CO concentrations corrected to 3% O₂, as measured by the portable analyzer, exceed the allowable emissions concentration, the permittee shall return the emissions to within the acceptable range as soon as possible, but no longer than 1 hour of operation after detection. If the portable analyzer readings continue to exceed the allowable emissions concentration after 1 hour of operation after detection, the permittee shall notify the District within the following 1 hour and conduct a certified source test within 60 days of the first exceedance. In lieu of conducting a source test, the permittee may stipulate a violation has occurred, subject to enforcement action. The permittee must then correct the violation, show compliance has been re-established, and resume monitoring procedures. If the deviations are the result of a qualifying breakdown condition pursuant to Rule 1100, the permittee may fully comply with Rule 1100 in lieu of the performing the notification and testing required by this condition. [District Rules 2520, 4305, 4306, and 4320] Federally Enforceable Through Title V Permit
32. All alternate monitoring parameter emission readings shall be taken with the unit operating either at conditions representative of normal operations or conditions specified in the Permit to Operate. The analyzer shall be calibrated, maintained, and operated in accordance with the manufacturer's specifications and recommendations or a protocol approved by the APCO. Emission readings taken shall be averaged over a 15 consecutive-minute period by either taking a cumulative 15 consecutive-minute sample reading or by taking at least five (5) readings, evenly spaced out over the 15 consecutive-minute period. [District Rules 2520, 4305, 4306, and 4320] Federally Enforceable Through Title V Permit
33. The permittee shall maintain records of: (1) the date and time of NO_x, CO, and O₂ measurements, (2) the O₂ concentration in percent and the measured NO_x and CO concentrations corrected to 3% O₂, (3) make and model of exhaust gas analyzer, (4) exhaust gas analyzer calibration records, and (5) a description of any corrective action taken to maintain the emissions within the acceptable range. [District Rules 2520, 4305, 4306, and 4320] Federally Enforceable Through Title V Permit
34. Compliance demonstration (source testing) shall be by District witnessed, or authorized, sample collection by ARB certified laboratory. [District Rule 1081] Federally Enforceable Through Title V Permit
35. All required source testing shall conform to the compliance testing procedures described in District Rule 1081 (Amended December 16, 1993). [District Rule 1081, and County Rules 108 (Kings), 108.1 (Fresno, Merced, San Joaquin, Tulare, Kern, and Stanislaus), and 110 (Madera)] Federally Enforceable Through Title V Permit
36. Source testing to measure NO_x and CO emissions from this unit shall be conducted within 60 days of initial start-up. [District Rules 2201, 4305, 4306, and 4320] Federally Enforceable Through Title V Permit
37. Source testing to measure natural gas-combustion NO_x and CO emissions from this unit shall be conducted at least once every twelve (12) months. After demonstrating compliance on two (2) consecutive annual source tests, the unit shall be tested not less than once every thirty-six (36) months. If the result of the 36-month source test demonstrates that the unit does not meet the applicable emission limits, the source testing frequency shall revert to at least once every twelve (12) months. [District Rules 2201, 4305, 4306, and 4320] Federally Enforceable Through Title V Permit
38. The source test plan shall identify which basis (ppmv or lb/MMBtu) will be used to demonstrate compliance. [District Rules 4305, 4306, and 4320] Federally Enforceable Through Title V Permit
39. Source testing shall be conducted using the methods and procedures approved by the District. The District must be notified at least 30 days prior to any compliance source test, and a source test plan must be submitted for approval at least 15 days prior to testing. [District Rule 1081] Federally Enforceable Through Title V Permit
40. The following test methods shall be used: NO_x (ppmv) - EPA Method 7E or ARB Method 100, NO_x (lb/MMBtu) - EPA Method 19, CO (ppmv) - EPA Method 10 or 10B or ARB Method 100, stack gas oxygen - EPA Method 3 or 3A or ARB Method 100, SO_x (lb/MMBtu) - ARB Method 8 or 100 or EPA Method 6, 6B, 6C, or 8, or fuel gas sulfur content analysis and EPA Method 19, fuel gas sulfur content - ASTM D1072, D3031, D3246, D4084, D4468, D6667 or double GC for H₂S and mercaptans performed in laboratory, fuel gas hhv - ASTM D1826 or D1945 in conjunction with ASTM D3588. [District Rules 1081, 4305, 4306, and 4320] Federally Enforceable Through Title V Permit
41. For emissions source testing, the arithmetic average of three 30-consecutive-minute test runs shall apply. If two of three runs are above an applicable limit the test cannot be used to demonstrate compliance with an applicable limit. [District Rules 4305, 4306, and 4320] Federally Enforceable Through Title V Permit

CONDITIONS CONTINUE ON NEXT PAGE

42. All emissions measurements shall be made with the unit operating either at conditions representative of normal operations or conditions specified in the Permit to Operate. No determination of compliance shall be established within two hours after a continuous period in which fuel flow to the unit is shut off for 30 minutes or longer, or within 30 minutes after a re-ignition as defined in District Rules 4306 and 4320. [District Rules 4305, 4306, and 4320] Federally Enforceable Through Title V Permit
43. The results of each source test shall be submitted to the District within 60 days thereafter. [District Rule 1081] Federally Enforceable Through Title V Permit
44. Copies of all gas purchase contracts, supplier certifications, and test results to determine compliance with the conditions of this permit shall be maintained. The operator shall record daily amount and type(s) of fuel(s) combusted, fuel sources, and all dates on which unit is fired on any noncertified fuel and record specific type of noncertified fuel used. [District Rule 2520, 9.4.2] Federally Enforceable Through Title V Permit
45. Prior to operating equipment under this Authority to Construct, permittee shall surrender emission reduction credits for the following quantities of emissions: NOx: 2374 lb/quarter; PM10: 894 lb/quarter, and VOC: 1536 lb/qtr. Offsets include the applicable offset ratio specified in Section 4.8 of Rule 2201 (as amended 9/21/06). [District Rule 2201] Federally Enforceable Through Title V Permit
46. ERC Certificate Numbers S-3629-2 (NOx), S-3145-1 (VOC), and S-3598-4 (PM10) (or certificates split from these certificates) shall be used to supply the required offsets, unless a revised offsetting proposal is received and approved by the District, upon which this Authority to Construct shall be reissued, administratively specifying the new offsetting proposal. Original public noticing requirements, if any, shall be duplicated prior to reissuance of this Authority to Construct. [District Rule 2201] Federally Enforceable Through Title V Permit
47. Permittee shall maintain a record of the duration of each startup of this unit. [District Rule 4306] Federally Enforceable Through Title V Permit
48. All records shall be maintained and retained on-site for a period of at least 5 years and shall be made available for District inspection upon request. [District Rule 1070, 4305, 4306, and 4320] Federally Enforceable Through Title V Permit



AUTHORITY TO CONSTRUCT

PERMIT NO: S-2010-281-0

ISSUANCE DATE: 03/01/2012

LEGAL OWNER OR OPERATOR: CHEVRON USA INC
MAILING ADDRESS: PO BOX 1392
BAKERSFIELD, CA 93302

LOCATION: LIGHT OIL WESTERN STATIONARY SOURCE
CA

EQUIPMENT DESCRIPTION:
85 MMBTU/HR NATURAL GAS-FIRED STEAM GENERATOR WITH NORTH AMERICAN MODEL 4231-85-GLE LOW-NOX BURNER ASSEMBLY, OR EQUIVALENT LOW-NOX BURNER, WITH FLUE GAS RECIRCULATION, APPROVED TO OPERATE AT VARIOUS LOCATIONS

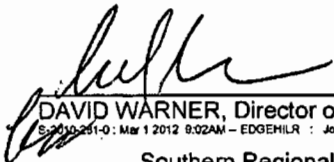
CONDITIONS

1. This Authority to Construct serves as a written certificate of conformity with the procedural requirements of 40 CFR 70.7 and 70.8 and with the compliance requirements of 40 CFR 70.6(c). [District Rule 2520] Federally Enforceable Through Title V Permit
2. Prior to operating with modifications authorized by this Authority to Construct, the facility shall submit an application to modify the Title V permit with an administrative amendment in accordance with District Rule 2520 Section 5.3.4. [District Rule 2520, 5.3.4] Federally Enforceable Through Title V Permit
3. Chevron will surrender ERCs sufficient to offset operational emissions as required by District NSR requirements. [Public Resources Code 21000-21177: California Environmental Quality Act]
4. A qualified registered biologist will conduct a focused pre-construction survey to determine the presence/absence of potential impacts on sensitive species prior to the onset of ground disturbance. The survey shall be conducted in accordance with the standard protocol of the USFWS and CDFG. If more than 30 days pass before the onset of ground disturbance, an additional survey shall be conducted by a Certified Biological Representative within 30 days prior to the onset of ground disturbance. [Public Resources Code 21000-21177: California Environmental Quality Act]

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

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5. If sensitive species or their nests/dens are detected in the pre-construction survey, the appropriate standardized avoidance measures will be implemented to preclude take of the species. If standardized avoidance measures cannot be achieved Chevron will consult with the CDFG and USFWS to develop alternative compliance measures. If standardized avoidance measures fail and there is a take of a threatened or endangered species Chevron will notify USFWS and CDFG immediately. [Public Resources Code 21000-21177: California Environmental Quality Act]
6. A qualified registered biologist will conduct a focused pre-construction survey to determine the presence/absence of potential impacts on riparian habitats, sensitive natural communities and wetlands prior to the onset of ground disturbance. The survey shall be conducted in accordance with the standard protocol of the USFWS and CDFG. If more than 30 days pass before the onset of ground disturbance, an additional survey shall be conducted by a Certified Biological Representative within 30 days prior to the onset of ground disturbance. [Public Resources Code 21000-21177: California Environmental Quality Act]
7. A qualified registered biologist will conduct a focused pre-construction survey to determine the presence/absence of potential impacts on migratory corridors prior to the onset of ground disturbance. The survey shall be conducted in accordance with the standard protocol of the USFWS and CDFG. If more than 30 days pass before the onset of ground disturbance, an additional survey shall be conducted by a Certified Biological Representative within 30 days prior to the onset of ground disturbance. [Public Resources Code 21000-21177: California Environmental Quality Act]
8. In the event that archaeological/paleontological resources are discovered during ground-disturbing activities associated with construction of the proposed Project, all work within 100 feet of the find shall cease. Chevron will notify and retain a qualified archaeologist/paleontologist to assess and provide an evaluation of the significance of the find. Chevron shall determine whether avoidance is necessary and feasible in light of the factors such as the nature of the find, project design, costs, and other considerations, and, if necessary, develop appropriate mitigation measures in consultation with Kern County and other appropriate agencies and individuals. Work may resume on the Project site once the evaluation of the find is complete by the qualified archaeologist/paleontologist. [Public Resources Code 21000-21177: California Environmental Quality Act]
9. In the event that human remains are discovered during construction of the Project, all work within 100 feet shall be ceased and the discovery will immediately be reported to the County Coroner. If the remains are determined to be Native American in origin, the County Coroner shall notify the Native American Heritage Commission (NAHC) within 24 hours of the determination. The NAHC will solicit those persons it believe to be the nearest descendants of the remains for recommendations. Chevron shall, in consultation with the identified descendants of the remains and/or NAHC, will identify the appropriate measures for the treatment or disposition of the remains. [Public Resources Code 21000-21177: California Environmental Quality Act]
10. Prior to the start of construction activities, Chevron shall provide the District with documentation demonstrating that maps identifying all wells in the vicinity of the sites have been submitted to DOGGR for compliance with DOGGR's "Well Review Program". [Public Resources Code 21000-21177: California Environmental Quality Act]
11. During construction activities, if unknown, unrecorded or abandoned wells are discovered or if any wells are damaged, Chevron shall immediately notify DOGGR. [Public Resources Code 21000-21177: California Environmental Quality Act]
12. Any wells discovered or exposed during construction activities will be tested for flammable vapors. [Public Resources Code 21000-21177: California Environmental Quality Act]
13. This steam generator is permitted to operate at the following locations: Section 29 T26S/R21E, SE, SW Section 32, T26S/R21E, and NW, SW Section 33 T26S/R21E. [District Rule 4102] Federally Enforceable Through Title V Permit
14. The permittee shall notify the District Compliance Division of each location at which the operation is located in excess of 24 hours. Such notification shall be made no later than 48 hours after starting operation at the location. [District Rule 1070] Federally Enforceable Through Title V Permit
15. The permittee shall obtain written District approval for the use of any equivalent equipment not specifically approved by this Authority to Construct. Approval of the equivalent equipment shall be made only after the District's determination that the submitted design and performance of the proposed alternate equipment is equivalent to the specifically authorized equipment. [District Rule 2201] Federally Enforceable Through Title V Permit

CONDITIONS CONTINUE ON NEXT PAGE

16. The permittee's request for approval of equivalent equipment shall include the make, model, manufacturer's maximum rating, manufacturer's guaranteed emission rates, equipment drawing(s), and operational characteristics/parameters. [District Rule 2010] Federally Enforceable Through Title V Permit
17. Alternate equipment shall be of the same class and category of source as the equipment authorized by the Authority to Construct. [District Rule 2201] Federally Enforceable Through Title V Permit
18. No emission factor and no emission shall be greater for the alternate equipment than for the proposed equipment. No changes in the hours of operation, operating rate, throughput, or firing rate may be authorized for any alternate equipment. [District Rule 2201] Federally Enforceable Through Title V Permit
19. Flue gas recirculation (FGR) shall be utilized in conjunction with low-NO_x burner to maintain ongoing compliance with permitted emission limits. [District Rule 2201] Federally Enforceable Through Title V Permit
20. Natural gas fuel sulfur content shall not exceed 1.0 grains-S/100 scf. [District Rule 2201] Federally Enforceable Through Title V Permit
21. The maximum duration of commissioning, i.e. adjustment and tuning of the unit for proper operation and compliance with permitted emissions limits, shall not exceed 60 days from initial startup. [District Rule 2080] Federally Enforceable Through Title V Permit
22. Total duration of startup, shutdown, commissioning, refractory curing operation shall not exceed 300 hours per calendar year. Permittee shall maintain records of the date and duration of each activity and the total hours of such operation for the calendar year. [District Rule 2080] Federally Enforceable Through Title V Permit
23. Permittee shall submit written notification to the District prior to commissioning or refractory curing activities. Such notification shall include anticipated beginning and ending dates of such activities. [District Rule 2080] Federally Enforceable Through Title V Permit
24. Emission rates shall not exceed any of the following: PM₁₀: 0.0032 lb/MMBtu; or VOC: 0.0055 lb/MMBtu. [District Rule 2201] Federally Enforceable Through Title V Permit
25. Emission rates, except during startup, shutdown, commissioning, and refractory curing shall not exceed: NO_x (as NO₂): 7 ppmvd @ 3% O₂ or 0.0085 lb/MMBtu; or CO: 25 ppmvd @ 3% O₂ or 0.0185 lb/MMBtu. [District Rules 2201, 4305, 4306, and 4320] Federally Enforceable Through Title V Permit
26. Duration of start-up and shutdown shall not exceed 2 hours each per occurrence. [District Rules 2201, 4305, 4306, and 4320] Federally Enforceable Through Title V Permit
27. If the unit is fired on noncertified gaseous fuel and compliance with SO_x emission limits is achieved through fuel sulfur content limitations, then the sulfur content of the gaseous fuel being fired in the unit shall be determined using ASTM D 1072, D 3031, D 3246, D 4084, D 4468, D 6667 or grab sample analysis by GC-FPD/TCD performed in the laboratory. [District Rule 1070, 2201, and 4320] Federally Enforceable Through Title V Permit
28. When complying with sulfur emission limits by fuel analysis or by a combination of source testing and fuel analysis, each fuel source shall be tested weekly for sulfur content and higher heating value. If compliance with the fuel sulfur content limit and sulfur emission limits has been demonstrated for 8 consecutive weeks for a fuel source, then the fuel testing frequency shall be semi-annually. If a semi-annual fuel content source test fails to show compliance, weekly testing shall resume. [District Rules 1070, 2201, and 4320] Federally Enforceable Through Title V Permit
29. If fuel analysis is used to demonstrate compliance with conditions of this permit, the fuel higher heating value for each fuel shall be certified by a third party fuel supplier or determined by ASTM D 1826 or D 1945 in conjunction with ASTM D 3588 for gaseous fuels. [District Rules 1070, 2201, and 4320] Federally Enforceable Through Title V Permit
30. The permittee shall monitor and record the stack concentration of NO_x, CO, and O₂ at least once every month (in which a source test is not performed) using a portable emission monitor that meets District specifications. Monitoring shall not be required if the unit is not in operation, i.e. the unit need not be started solely to perform monitoring. Monitoring shall be performed within 5 days of restarting the unit unless monitoring has been performed within the last month. [District Rules 2520, 4305, 4306, and 4320] Federally Enforceable Through Title V Permit

31. If either the NOx or CO concentrations corrected to 3% O₂, as measured by the portable analyzer, exceed the allowable emissions concentration, the permittee shall return the emissions to within the acceptable range as soon as possible, but no longer than 1 hour of operation after detection. If the portable analyzer readings continue to exceed the allowable emissions concentration after 1 hour of operation after detection, the permittee shall notify the District within the following 1 hour and conduct a certified source test within 60 days of the first exceedance. In lieu of conducting a source test, the permittee may stipulate a violation has occurred, subject to enforcement action. The permittee must then correct the violation, show compliance has been re-established, and resume monitoring procedures. If the deviations are the result of a qualifying breakdown condition pursuant to Rule 1100, the permittee may fully comply with Rule 1100 in lieu of the performing the notification and testing required by this condition. [District Rules 2520, 4305, 4306, and 4320] Federally Enforceable Through Title V Permit
32. All alternate monitoring parameter emission readings shall be taken with the unit operating either at conditions representative of normal operations or conditions specified in the Permit to Operate. The analyzer shall be calibrated, maintained, and operated in accordance with the manufacturer's specifications and recommendations or a protocol approved by the APCO. Emission readings taken shall be averaged over a 15 consecutive-minute period by either taking a cumulative 15 consecutive-minute sample reading or by taking at least five (5) readings, evenly spaced out over the 15 consecutive-minute period. [District Rules 2520, 4305, 4306, and 4320] Federally Enforceable Through Title V Permit
33. The permittee shall maintain records of: (1) the date and time of NOx, CO, and O₂ measurements, (2) the O₂ concentration in percent and the measured NOx and CO concentrations corrected to 3% O₂, (3) make and model of exhaust gas analyzer, (4) exhaust gas analyzer calibration records, and (5) a description of any corrective action taken to maintain the emissions within the acceptable range. [District Rules 2520, 4305, 4306, and 4320] Federally Enforceable Through Title V Permit
34. Compliance demonstration (source testing) shall be by District witnessed, or authorized, sample collection by ARB certified laboratory. [District Rule 1081] Federally Enforceable Through Title V Permit
35. All required source testing shall conform to the compliance testing procedures described in District Rule 1081 (Amended December 16, 1993). [District Rule 1081, and County Rules 108 (Kings), 108.1 (Fresno, Merced, San Joaquin, Tulare, Kern, and Stanislaus), and 110 (Madera)] Federally Enforceable Through Title V Permit
36. Source testing to measure NOx and CO emissions from this unit shall be conducted within 60 days of initial start-up. [District Rules 2201, 4305, 4306, and 4320] Federally Enforceable Through Title V Permit
37. Source testing to measure natural gas-combustion NOx and CO emissions from this unit shall be conducted at least once every twelve (12) months. After demonstrating compliance on two (2) consecutive annual source tests, the unit shall be tested not less than once every thirty-six (36) months. If the result of the 36-month source test demonstrates that the unit does not meet the applicable emission limits, the source testing frequency shall revert to at least once every twelve (12) months. [District Rules 2201, 4305, 4306, and 4320] Federally Enforceable Through Title V Permit
38. The source test plan shall identify which basis (ppmv or lb/MMBtu) will be used to demonstrate compliance. [District Rules 4305, 4306, and 4320] Federally Enforceable Through Title V Permit
39. Source testing shall be conducted using the methods and procedures approved by the District. The District must be notified at least 30 days prior to any compliance source test, and a source test plan must be submitted for approval at least 15 days prior to testing. [District Rule 1081] Federally Enforceable Through Title V Permit
40. The following test methods shall be used: NOx (ppmv) - EPA Method 7E or ARB Method 100, NOx (lb/MMBtu) - EPA Method 19, CO (ppmv) - EPA Method 10 or 10B or ARB Method 100, stack gas oxygen - EPA Method 3 or 3A or ARB Method 100, SOx (lb/MMBtu) - ARB Method 8 or 100 or EPA Method 6, 6B, 6C, or 8, or fuel gas sulfur content analysis and EPA Method 19, fuel gas sulfur content - ASTM D1072, D3031, D3246, D4084, D4468, D6667 or double GC for H₂S and mercaptans performed in laboratory, fuel gas hhv - ASTM D1826 or D1945 in conjunction with ASTM D3588. [District Rules 1081, 4305, 4306, and 4320] Federally Enforceable Through Title V Permit
41. For emissions source testing, the arithmetic average of three 30-consecutive-minute test runs shall apply. If two of three runs are above an applicable limit the test cannot be used to demonstrate compliance with an applicable limit. [District Rules 4305, 4306, and 4320] Federally Enforceable Through Title V Permit

CONDITIONS CONTINUE ON NEXT PAGE

42. All emissions measurements shall be made with the unit operating either at conditions representative of normal operations or conditions specified in the Permit to Operate. No determination of compliance shall be established within two hours after a continuous period in which fuel flow to the unit is shut off for 30 minutes or longer, or within 30 minutes after a re-ignition as defined in District Rules 4305 and 4320. [District Rules 4305, 4306, and 4320] Federally Enforceable Through Title V Permit
43. The results of each source test shall be submitted to the District within 60 days thereafter. [District Rule 1081] Federally Enforceable Through Title V Permit
44. Copies of all gas purchase contracts, supplier certifications, and test results to determine compliance with the conditions of this permit shall be maintained. The operator shall record daily amount and type(s) of fuel(s) combusted, fuel sources, and all dates on which unit is fired on any noncertified fuel and record specific type of noncertified fuel used. [District Rule 2520, 9.4.2] Federally Enforceable Through Title V Permit
45. Prior to operating equipment under this Authority to Construct, permittee shall surrender emission reduction credits for the following quantities of emissions: NOx: 2374 lb/quarter; PM10: 894 lb/quarter, and VOC: 1536 lb/qtr. Offsets include the applicable offset ratio specified in Section 4.8 of Rule 2201 (as amended 9/21/06). [District Rule 2201] Federally Enforceable Through Title V Permit
46. ERC Certificate Numbers S-3629-2 (NOx), S-3145-1 (VOC), and S-3598-4 (PM10) (or certificates split from these certificates) shall be used to supply the required offsets, unless a revised offsetting proposal is received and approved by the District, upon which this Authority to Construct shall be reissued, administratively specifying the new offsetting proposal. Original public noticing requirements, if any, shall be duplicated prior to reissuance of this Authority to Construct. [District Rule 2201] Federally Enforceable Through Title V Permit
47. Permittee shall maintain a record of the duration of each startup of this unit. [District Rule 4306] Federally Enforceable Through Title V Permit
48. All records shall be maintained and retained on-site for a period of at least 5 years and shall be made available for District inspection upon request. [District Rule 1070, 4305, 4306, and 4320] Federally Enforceable Through Title V Permit



AUTHORITY TO CONSTRUCT

PERMIT NO: S-2010-282-0

ISSUANCE DATE: 03/01/2012

LEGAL OWNER OR OPERATOR: CHEVRON USA INC
MAILING ADDRESS: PO BOX 1392
BAKERSFIELD, CA 93302

LOCATION: LIGHT OIL WESTERN STATIONARY SOURCE
CA

EQUIPMENT DESCRIPTION:

85 MMBTU/HR NATURAL GAS-FIRED STEAM GENERATOR WITH NORTH AMERICAN MODEL 4231-85-GLE LOW-NOX BURNER ASSEMBLY, OR EQUIVALENT LOW-NOX BURNER, WITH FLUE GAS RECIRCULATION, APPROVED TO OPERATE AT VARIOUS LOCATIONS

CONDITIONS

1. This Authority to Construct serves as a written certificate of conformity with the procedural requirements of 40 CFR 70.7 and 70.8 and with the compliance requirements of 40 CFR 70.6(c). [District Rule 2520] Federally Enforceable Through Title V Permit
2. Prior to operating with modifications authorized by this Authority to Construct, the facility shall submit an application to modify the Title V permit with an administrative amendment in accordance with District Rule 2520 Section 5.3.4. [District Rule 2520, 5.3.4] Federally Enforceable Through Title V Permit
3. Chevron will surrender ERCs sufficient to offset operational emissions as required by District NSR requirements. [Public Resources Code 21000-21177: California Environmental Quality Act]
4. A qualified registered biologist will conduct a focused pre-construction survey to determine the presence/absence of potential impacts on sensitive species prior to the onset of ground disturbance. The survey shall be conducted in accordance with the standard protocol of the USFWS and CDFG. If more than 30 days pass before the onset of ground disturbance, an additional survey shall be conducted by a Certified Biological Representative within 30 days prior to the onset of ground disturbance. [Public Resources Code 21000-21177: California Environmental Quality Act]

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-2010-282-0 : Mar 1 2012 9:02AM - EDGEHLR : Joint Inspection NOT Required

5. If sensitive species or their nests/dens are detected in the pre-construction survey, the appropriate standardized avoidance measures will be implemented to preclude take of the species. If standardized avoidance measures cannot be achieved Chevron will consult with the CDFG and USFWS to develop alternative compliance measures. If standardized avoidance measures fail and there is a take of a threatened or endangered species Chevron will notify USFWS and CDFG immediately. [Public Resources Code 21000-21177: California Environmental Quality Act]
6. A qualified registered biologist will conduct a focused pre-construction survey to determine the presence/absence of potential impacts on riparian habitats, sensitive natural communities and wetlands prior to the onset of ground disturbance. The survey shall be conducted in accordance with the standard protocol of the USFWS and CDFG. If more than 30 days pass before the onset of ground disturbance, an additional survey shall be conducted by a Certified Biological Representative within 30 days prior to the onset of ground disturbance. [Public Resources Code 21000-21177: California Environmental Quality Act]
7. A qualified registered biologist will conduct a focused pre-construction survey to determine the presence/absence of potential impacts on migratory corridors prior to the onset of ground disturbance. The survey shall be conducted in accordance with the standard protocol of the USFWS and CDFG. If more than 30 days pass before the onset of ground disturbance, an additional survey shall be conducted by a Certified Biological Representative within 30 days prior to the onset of ground disturbance. [Public Resources Code 21000-21177: California Environmental Quality Act]
8. In the event that archaeological/paleontological resources are discovered during ground-disturbing activities associated with construction of the proposed Project, all work within 100 feet of the find shall cease. Chevron will notify and retain a qualified archaeologist/paleontologist to assess and provide an evaluation of the significance of the find. Chevron shall determine whether avoidance is necessary and feasible in light of the factors such as the nature of the find, project design, costs, and other considerations, and, if necessary, develop appropriate mitigation measures in consultation with Kern County and other appropriate agencies and individuals. Work may resume on the Project site once the evaluation of the find is complete by the qualified archaeologist/paleontologist. [Public Resources Code 21000-21177: California Environmental Quality Act]
9. In the event that human remains are discovered during construction of the Project, all work within 100 feet shall be ceased and the discovery will immediately be reported to the County Coroner. If the remains are determined to be Native American in origin, the County Coroner shall notify the Native American Heritage Commission (NAHC) within 24 hours of the determination. The NAHC will solicit those persons it believe to be the nearest descendants of the remains for recommendations. Chevron shall, in consultation with the identified descendants of the remains and/or NAHC, will identify the appropriate measures for the treatment or disposition of the remains. [Public Resources Code 21000-21177: California Environmental Quality Act]
10. Prior to the start of construction activities, Chevron shall provide the District with documentation demonstrating that maps identifying all wells in the vicinity of the sites have been submitted to DOGGR for compliance with DOGGR's "Well Review Program". [Public Resources Code 21000-21177: California Environmental Quality Act]
11. During construction activities, if unknown, unrecorded or abandoned wells are discovered or if any wells are damaged, Chevron shall immediately notify DOGGR. [Public Resources Code 21000-21177: California Environmental Quality Act]
12. Any wells discovered or exposed during construction activities will be tested for flammable vapors. [Public Resources Code 21000-21177: California Environmental Quality Act]
13. This steam generator is permitted to operate at the following locations: Section 29 T26S/R21E, SE, SW Section 32, T26S/R21E, and NW, SW Section 33 T26S/R21E. [District Rule 4102] Federally Enforceable Through Title V Permit
14. The permittee shall notify the District Compliance Division of each location at which the operation is located in excess of 24 hours. Such notification shall be made no later than 48 hours after starting operation at the location. [District Rule 1070] Federally Enforceable Through Title V Permit
15. The permittee shall obtain written District approval for the use of any equivalent equipment not specifically approved by this Authority to Construct. Approval of the equivalent equipment shall be made only after the District's determination that the submitted design and performance of the proposed alternate equipment is equivalent to the specifically authorized equipment. [District Rule 2201] Federally Enforceable Through Title V Permit

CONDITIONS CONTINUE ON NEXT PAGE

16. The permittee's request for approval of equivalent equipment shall include the make, model, manufacturer's maximum rating, manufacturer's guaranteed emission rates, equipment drawing(s), and operational characteristics/parameters. [District Rule 2010] Federally Enforceable Through Title V Permit
17. Alternate equipment shall be of the same class and category of source as the equipment authorized by the Authority to Construct. [District Rule 2201] Federally Enforceable Through Title V Permit
18. No emission factor and no emission shall be greater for the alternate equipment than for the proposed equipment. No changes in the hours of operation, operating rate, throughput, or firing rate may be authorized for any alternate equipment. [District Rule 2201] Federally Enforceable Through Title V Permit
19. Flue gas recirculation (FGR) shall be utilized in conjunction with low-NOx burner to maintain ongoing compliance with permitted emission limits. [District Rule 2201] Federally Enforceable Through Title V Permit
20. Natural gas fuel sulfur content shall not exceed 1.0 grains-S/100 scf. [District Rule 2201] Federally Enforceable Through Title V Permit
21. The maximum duration of commissioning, i.e. adjustment and tuning of the unit for proper operation and compliance with permitted emissions limits, shall not exceed 60 days from initial startup. [District Rule 2080] Federally Enforceable Through Title V Permit
22. Total duration of startup, shutdown, commissioning, refractory curing operation shall not exceed 300 hours per calendar year. Permittee shall maintain records of the date and duration of each activity and the total hours of such operation for the calendar year. [District Rule 2080] Federally Enforceable Through Title V Permit
23. Permittee shall submit written notification to the District prior to commissioning or refractory curing activities. Such notification shall include anticipated beginning and ending dates of such activities. [District Rule 2080] Federally Enforceable Through Title V Permit
24. Emission rates, except during startup, shutdown, commissioning, and refractory curing shall not exceed: NO_x (as NO₂): 7 ppmvd @ 3% O₂ or 0.0085 lb/MMBtu; or CO: 25 ppmvd @ 3% O₂ or 0.0185 lb/MMBtu. [District Rules 2201, 4305, 4306, and 4320] Federally Enforceable Through Title V Permit
25. Duration of start-up and shutdown shall not exceed 2 hours each per occurrence. [District Rules 2201, 4305, 4306, and 4320] Federally Enforceable Through Title V Permit
26. If the unit is fired on noncertified gaseous fuel and compliance with SO_x emission limits is achieved through fuel sulfur content limitations, then the sulfur content of the gaseous fuel being fired in the unit shall be determined using ASTM D 1072, D 3031, D 3246, D 4084, D 4468, D 6667 or grab sample analysis by GC-FPD/TCD performed in the laboratory. [District Rule 1070, 2201, and 4320] Federally Enforceable Through Title V Permit
27. When complying with sulfur emission limits by fuel analysis or by a combination of source testing and fuel analysis, each fuel source shall be tested weekly for sulfur content and higher heating value. If compliance with the fuel sulfur content limit and sulfur emission limits has been demonstrated for 8 consecutive weeks for a fuel source, then the fuel testing frequency shall be semi-annually. If a semi-annual fuel content source test fails to show compliance, weekly testing shall resume. [District Rules 1070, 2201, and 4320] Federally Enforceable Through Title V Permit
28. If fuel analysis is used to demonstrate compliance with conditions of this permit, the fuel higher heating value for each fuel shall be certified by a third party fuel supplier or determined by ASTM D 1826 or D 1945 in conjunction with ASTM D 3588 for gaseous fuels. [District Rules 1070, 2201, and 4320] Federally Enforceable Through Title V Permit
29. The permittee shall monitor and record the stack concentration of NO_x, CO, and O₂ at least once every month (in which a source test is not performed) using a portable emission monitor that meets District specifications. Monitoring shall not be required if the unit is not in operation, i.e. the unit need not be started solely to perform monitoring. Monitoring shall be performed within 5 days of restarting the unit unless monitoring has been performed within the last month. [District Rules 2520, 4305, 4306, and 4320] Federally Enforceable Through Title V Permit

CONDITIONS CONTINUE ON NEXT PAGE

30. If either the NOx or CO concentrations corrected to 3% O₂, as measured by the portable analyzer, exceed the allowable emissions concentration, the permittee shall return the emissions to within the acceptable range as soon as possible, but no longer than 1 hour of operation after detection. If the portable analyzer readings continue to exceed the allowable emissions concentration after 1 hour of operation after detection, the permittee shall notify the District within the following 1 hour and conduct a certified source test within 60 days of the first exceedance. In lieu of conducting a source test, the permittee may stipulate a violation has occurred, subject to enforcement action. The permittee must then correct the violation, show compliance has been re-established, and resume monitoring procedures. If the deviations are the result of a qualifying breakdown condition pursuant to Rule 1100, the permittee may fully comply with Rule 1100 in lieu of the performing the notification and testing required by this condition. [District Rules 2520, 4305, 4306, and 4320] Federally Enforceable Through Title V Permit
31. All alternate monitoring parameter emission readings shall be taken with the unit operating either at conditions representative of normal operations or conditions specified in the Permit to Operate. The analyzer shall be calibrated, maintained, and operated in accordance with the manufacturer's specifications and recommendations or a protocol approved by the APCO. Emission readings taken shall be averaged over a 15 consecutive-minute period by either taking a cumulative 15 consecutive-minute sample reading or by taking at least five (5) readings, evenly spaced out over the 15 consecutive-minute period. [District Rules 2520, 4305, 4306, and 4320] Federally Enforceable Through Title V Permit
32. The permittee shall maintain records of: (1) the date and time of NOx, CO, and O₂ measurements, (2) the O₂ concentration in percent and the measured NOx and CO concentrations corrected to 3% O₂, (3) make and model of exhaust gas analyzer, (4) exhaust gas analyzer calibration records, and (5) a description of any corrective action taken to maintain the emissions within the acceptable range. [District Rules 2520, 4305, 4306, and 4320] Federally Enforceable Through Title V Permit
33. Compliance demonstration (source testing) shall be by District witnessed, or authorized, sample collection by ARB certified laboratory. [District Rule 1081] Federally Enforceable Through Title V Permit
34. All required source testing shall conform to the compliance testing procedures described in District Rule 1081 (Amended December 16, 1993). [District Rule 1081, and County Rules 108 (Kings), 108.1 (Fresno, Merced, San Joaquin, Tulare, Kern, and Stanislaus), and 110 (Madera)] Federally Enforceable Through Title V Permit
35. Source testing to measure NOx and CO emissions from this unit shall be conducted within 60 days of initial start-up. [District Rules 2201, 4305, 4306, and 4320] Federally Enforceable Through Title V Permit
36. Source testing to measure natural gas-combustion NOx and CO emissions from this unit shall be conducted at least once every twelve (12) months. After demonstrating compliance on two (2) consecutive annual source tests, the unit shall be tested not less than once every thirty-six (36) months. If the result of the 36-month source test demonstrates that the unit does not meet the applicable emission limits, the source testing frequency shall revert to at least once every twelve (12) months. [District Rules 2201, 4305, 4306, and 4320] Federally Enforceable Through Title V Permit
37. The source test plan shall identify which basis (ppmv or lb/MMBtu) will be used to demonstrate compliance. [District Rules 4305, 4306, and 4320] Federally Enforceable Through Title V Permit
38. Source testing shall be conducted using the methods and procedures approved by the District. The District must be notified at least 30 days prior to any compliance source test, and a source test plan must be submitted for approval at least 15 days prior to testing. [District Rule 1081] Federally Enforceable Through Title V Permit
39. The following test methods shall be used: NOx (ppmv) - EPA Method 7E or ARB Method 100, NOx (lb/MMBtu) - EPA Method 19, CO (ppmv) - EPA Method 10 or 10B or ARB Method 100, stack gas oxygen - EPA Method 3 or 3A or ARB Method 100, SOx (lb/MMBtu) - ARB Method 8 or 100 or EPA Method 6, 6B, 6C, or 8, or fuel gas sulfur content analysis and EPA Method 19, fuel gas sulfur content - ASTM D1072, D3031, D3246, D4084, D4468, D6667 or double GC for H₂S and mercaptans performed in laboratory, fuel gas hhv - ASTM D1826 or D1945 in conjunction with ASTM D3588. [District Rules 1081, 4305, 4306, and 4320] Federally Enforceable Through Title V Permit
40. For emissions source testing, the arithmetic average of three 30-consecutive-minute test runs shall apply. If two of three runs are above an applicable limit the test cannot be used to demonstrate compliance with an applicable limit. [District Rules 4305, 4306, and 4320] Federally Enforceable Through Title V Permit

CONDITIONS CONTINUE ON NEXT PAGE

41. All emissions measurements shall be made with the unit operating either at conditions representative of normal operations or conditions specified in the Permit to Operate. No determination of compliance shall be established within two hours after a continuous period in which fuel flow to the unit is shut off for 30 minutes or longer, or within 30 minutes after a re-ignition as defined in District Rules 4306 and 4320. [District Rules 4305, 4306, and 4320] Federally Enforceable Through Title V Permit
42. The results of each source test shall be submitted to the District within 60 days thereafter. [District Rule 1081] Federally Enforceable Through Title V Permit
43. Copies of all gas purchase contracts, supplier certifications, and test results to determine compliance with the conditions of this permit shall be maintained. The operator shall record daily amount and type(s) of fuel(s) combusted, fuel sources, and all dates on which unit is fired on any noncertified fuel and record specific type of noncertified fuel used. [District Rule 2520, 9.4.2] Federally Enforceable Through Title V Permit
44. Prior to operating equipment under this Authority to Construct, permittee shall surrender emission reduction credits for the following quantities of emissions: NOx: 2374 lb/quarter; PM10: 894 lb/quarter, and VOC: 1536 lb/qtr. Offsets include the applicable offset ratio specified in Section 4.8 of Rule 2201 (as amended 9/21/06). [District Rule 2201] Federally Enforceable Through Title V Permit
45. ERC Certificate Numbers S-3629-2 (NOx), S-3145-1 (VOC), and S-3598-4 (PM10) (or certificates split from these certificates) shall be used to supply the required offsets, unless a revised offsetting proposal is received and approved by the District, upon which this Authority to Construct shall be reissued, administratively specifying the new offsetting proposal. Original public noticing requirements, if any, shall be duplicated prior to reissuance of this Authority to Construct. [District Rule 2201] Federally Enforceable Through Title V Permit
46. Permittee shall maintain a record of the duration of each startup of this unit. [District Rule 4306] Federally Enforceable Through Title V Permit
47. All records shall be maintained and retained on-site for a period of at least 5 years and shall be made available for District inspection upon request. [District Rule 1070, 4305, 4306, and 4320] Federally Enforceable Through Title V Permit



AUTHORITY TO CONSTRUCT

PERMIT NO: S-2010-283-0

ISSUANCE DATE: 03/01/2012

LEGAL OWNER OR OPERATOR: CHEVRON USA INC
MAILING ADDRESS: PO BOX 1392
BAKERSFIELD, CA 93302

LOCATION: LIGHT OIL WESTERN STATIONARY SOURCE
CA

EQUIPMENT DESCRIPTION:
85 MMBTU/HR NATURAL GAS-FIRED STEAM GENERATOR WITH NORTH AMERICAN MODEL 4231-85-GLE LOW-NOX BURNER ASSEMBLY, OR EQUIVALENT LOW-NOX BURNER, WITH FLUE GAS RECIRCULATION, APPROVED TO OPERATE AT VARIOUS LOCATIONS

CONDITIONS

1. This Authority to Construct serves as a written certificate of conformity with the procedural requirements of 40 CFR 70.7 and 70.8 and with the compliance requirements of 40 CFR 70.6(c). [District Rule 2520] Federally Enforceable Through Title V Permit
2. Prior to operating with modifications authorized by this Authority to Construct, the facility shall submit an application to modify the Title V permit with an administrative amendment in accordance with District Rule 2520 Section 5.3.4. [District Rule 2520, 5.3.4] Federally Enforceable Through Title V Permit
3. Chevron will surrender ERCs sufficient to offset operational emissions as required by District NSR requirements. [Public Resources Code 21000-21177: California Environmental Quality Act]
4. A qualified registered biologist will conduct a focused pre-construction survey to determine the presence/absence of potential impacts on sensitive species prior to the onset of ground disturbance. The survey shall be conducted in accordance with the standard protocol of the USFWS and CDFG. If more than 30 days pass before the onset of ground disturbance, an additional survey shall be conducted by a Certified Biological Representative within 30 days prior to the onset of ground disturbance. [Public Resources Code 21000-21177: California Environmental Quality Act]

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

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5. If sensitive species or their nests/dens are detected in the pre-construction survey, the appropriate standardized avoidance measures will be implemented to preclude take of the species. If standardized avoidance measures cannot be achieved Chevron will consult with the CDFG and USFWS to develop alternative compliance measures. If standardized avoidance measures fail and there is a take of a threatened or endangered species Chevron will notify USFWS and CDFG immediately. [Public Resources Code 21000-21177: California Environmental Quality Act]
6. A qualified registered biologist will conduct a focused pre-construction survey to determine the presence/absence of potential impacts on riparian habitats, sensitive natural communities and wetlands prior to the onset of ground disturbance. The survey shall be conducted in accordance with the standard protocol of the USFWS and CDFG. If more than 30 days pass before the onset of ground disturbance, an additional survey shall be conducted by a Certified Biological Representative within 30 days prior to the onset of ground disturbance. [Public Resources Code 21000-21177: California Environmental Quality Act]
7. A qualified registered biologist will conduct a focused pre-construction survey to determine the presence/absence of potential impacts on migratory corridors prior to the onset of ground disturbance. The survey shall be conducted in accordance with the standard protocol of the USFWS and CDFG. If more than 30 days pass before the onset of ground disturbance, an additional survey shall be conducted by a Certified Biological Representative within 30 days prior to the onset of ground disturbance. [Public Resources Code 21000-21177: California Environmental Quality Act]
8. In the event that archaeological/paleontological resources are discovered during ground-disturbing activities associated with construction of the proposed Project, all work within 100 feet of the find shall cease. Chevron will notify and retain a qualified archaeologist/paleontologist to assess and provide an evaluation of the significance of the find. Chevron shall determine whether avoidance is necessary and feasible in light of the factors such as the nature of the find, project design, costs, and other considerations, and, if necessary, develop appropriate mitigation measures in consultation with Kern County and other appropriate agencies and individuals. Work may resume on the Project site once the evaluation of the find is complete by the qualified archaeologist/paleontologist. [Public Resources Code 21000-21177: California Environmental Quality Act]
9. In the event that human remains are discovered during construction of the Project, all work within 100 feet shall be ceased and the discovery will immediately be reported to the County Coroner. If the remains are determined to be Native American in origin, the County Coroner shall notify the Native American Heritage Commission (NAHC) within 24 hours of the determination. The NAHC will solicit those persons it believe to be the nearest descendants of the remains for recommendations. Chevron shall, in consultation with the identified descendants of the remains and/or NAHC, will identify the appropriate measures for the treatment or disposition of the remains. [Public Resources Code 21000-21177: California Environmental Quality Act]
10. Prior to the start of construction activities, Chevron shall provide the District with documentation demonstrating that maps identifying all wells in the vicinity of the sites have been submitted to DOGGR for compliance with DOGGR's "Well Review Program". [Public Resources Code 21000-21177: California Environmental Quality Act]
11. During construction activities, if unknown, unrecorded or abandoned wells are discovered or if any wells are damaged, Chevron shall immediately notify DOGGR. [Public Resources Code 21000-21177: California Environmental Quality Act]
12. Any wells discovered or exposed during construction activities will be tested for flammable vapors. [Public Resources Code 21000-21177: California Environmental Quality Act]
13. This steam generator is permitted to operate at the following locations: Section 29 T26S/R21E, SE, SW Section 32, T26S/R21E, and NW, SW Section 33 T26S/R21E. [District Rule 4102] Federally Enforceable Through Title V Permit
14. The permittee shall notify the District Compliance Division of each location at which the operation is located in excess of 24 hours. Such notification shall be made no later than 48 hours after starting operation at the location. [District Rule 1070] Federally Enforceable Through Title V Permit
15. The permittee shall obtain written District approval for the use of any equivalent equipment not specifically approved by this Authority to Construct. Approval of the equivalent equipment shall be made only after the District's determination that the submitted design and performance of the proposed alternate equipment is equivalent to the specifically authorized equipment. [District Rule 2201] Federally Enforceable Through Title V Permit

CONDITIONS CONTINUE ON NEXT PAGE

16. The permittee's request for approval of equivalent equipment shall include the make, model, manufacturer's maximum rating, manufacturer's guaranteed emission rates, equipment drawing(s), and operational characteristics/parameters. [District Rule 2010] Federally Enforceable Through Title V Permit
17. Alternate equipment shall be of the same class and category of source as the equipment authorized by the Authority to Construct. [District Rule 2201] Federally Enforceable Through Title V Permit
18. No emission factor and no emission shall be greater for the alternate equipment than for the proposed equipment. No changes in the hours of operation, operating rate, throughput, or firing rate may be authorized for any alternate equipment. [District Rule 2201] Federally Enforceable Through Title V Permit
19. Flue gas recirculation (FGR) shall be utilized in conjunction with low-NOx burner to maintain ongoing compliance with permitted emission limits. [District Rule 2201] Federally Enforceable Through Title V Permit
20. Natural gas fuel sulfur content shall not exceed 1.0 grains-S/100 scf. [District Rule 2201] Federally Enforceable Through Title V Permit
21. The maximum duration of commissioning, i.e. adjustment and tuning of the unit for proper operation and compliance with permitted emissions limits, shall not exceed 60 days from initial startup. [District Rule 2080] Federally Enforceable Through Title V Permit
22. Total duration of startup, shutdown, commissioning, refractory curing operation shall not exceed 300 hours per calendar year. Permittee shall maintain records of the date and duration of each activity and the total hours of such operation for the calendar year. [District Rule 2080] Federally Enforceable Through Title V Permit
23. Permittee shall submit written notification to the District prior to commissioning or refractory curing activities. Such notification shall include anticipated beginning and ending dates of such activities. [District Rule 2080] Federally Enforceable Through Title V Permit
24. Emission rates shall not exceed any of the following: PM10: 0.0032 lb/MMBtu; or VOC: 0.0055 lb/MMBtu. [District Rule 2201] Federally Enforceable Through Title V Permit
25. Emission rates, except during startup, shutdown, commissioning, and refractory curing shall not exceed: NOx (as NO₂): 7 ppmvd @ 3% O₂ or 0.0085 lb/MMBtu; or CO: 25 ppmvd @ 3% O₂ or 0.0185 lb/MMBtu. [District Rules 2201, 4305, 4306, and 4320] Federally Enforceable Through Title V Permit
26. Duration of start-up and shutdown shall not exceed 2 hours each per occurrence. [District Rules 2201, 4305, 4306, and 4320] Federally Enforceable Through Title V Permit
27. If the unit is fired on noncertified gaseous fuel and compliance with SOx emission limits is achieved through fuel sulfur content limitations, then the sulfur content of the gaseous fuel being fired in the unit shall be determined using ASTM D 1072, D 3031, D 3246, D 4084, D 4468, D 6667 or grab sample analysis by GC-FPD/TCD performed in the laboratory. [District Rule 1070, 2201, and 4320] Federally Enforceable Through Title V Permit
28. When complying with sulfur emission limits by fuel analysis or by a combination of source testing and fuel analysis, each fuel source shall be tested weekly for sulfur content and higher heating value. If compliance with the fuel sulfur content limit and sulfur emission limits has been demonstrated for 8 consecutive weeks for a fuel source, then the fuel testing frequency shall be semi-annually. If a semi-annual fuel content source test fails to show compliance, weekly testing shall resume. [District Rules 1070, 2201, and 4320] Federally Enforceable Through Title V Permit
29. If fuel analysis is used to demonstrate compliance with conditions of this permit, the fuel higher heating value for each fuel shall be certified by a third party fuel supplier or determined by ASTM D 1826 or D 1945 in conjunction with ASTM D 3588 for gaseous fuels. [District Rules 1070, 2201, and 4320] Federally Enforceable Through Title V Permit
30. The permittee shall monitor and record the stack concentration of NOx, CO, and O₂ at least once every month (in which a source test is not performed) using a portable emission monitor that meets District specifications. Monitoring shall not be required if the unit is not in operation, i.e. the unit need not be started solely to perform monitoring. Monitoring shall be performed within 5 days of restarting the unit unless monitoring has been performed within the last month. [District Rules 2520, 4305, 4306, and 4320] Federally Enforceable Through Title V Permit

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31. If either the NOx or CO concentrations corrected to 3% O₂, as measured by the portable analyzer, exceed the allowable emissions concentration, the permittee shall return the emissions to within the acceptable range as soon as possible, but no longer than 1 hour of operation after detection. If the portable analyzer readings continue to exceed the allowable emissions concentration after 1 hour of operation after detection, the permittee shall notify the District within the following 1 hour and conduct a certified source test within 60 days of the first exceedance. In lieu of conducting a source test, the permittee may stipulate a violation has occurred, subject to enforcement action. The permittee must then correct the violation, show compliance has been re-established, and resume monitoring procedures. If the deviations are the result of a qualifying breakdown condition pursuant to Rule 1100, the permittee may fully comply with Rule 1100 in lieu of the performing the notification and testing required by this condition. [District Rules 2520, 4305, 4306, and 4320] Federally Enforceable Through Title V Permit
32. All alternate monitoring parameter emission readings shall be taken with the unit operating either at conditions representative of normal operations or conditions specified in the Permit to Operate. The analyzer shall be calibrated, maintained, and operated in accordance with the manufacturer's specifications and recommendations or a protocol approved by the APCO. Emission readings taken shall be averaged over a 15 consecutive-minute period by either taking a cumulative 15 consecutive-minute sample reading or by taking at least five (5) readings, evenly spaced out over the 15 consecutive-minute period. [District Rules 2520, 4305, 4306, and 4320] Federally Enforceable Through Title V Permit
33. The permittee shall maintain records of: (1) the date and time of NOx, CO, and O₂ measurements, (2) the O₂ concentration in percent and the measured NOx and CO concentrations corrected to 3% O₂, (3) make and model of exhaust gas analyzer, (4) exhaust gas analyzer calibration records, and (5) a description of any corrective action taken to maintain the emissions within the acceptable range. [District Rules 2520, 4305, 4306, and 4320] Federally Enforceable Through Title V Permit
34. Compliance demonstration (source testing) shall be by District witnessed, or authorized, sample collection by ARB certified laboratory. [District Rule 1081] Federally Enforceable Through Title V Permit
35. All required source testing shall conform to the compliance testing procedures described in District Rule 1081 (Amended December 16, 1993). [District Rule 1081, and County Rules 108 (Kings), 108.1 (Fresno, Merced, San Joaquin, Tulare, Kern, and Stanislaus), and 110 (Madera)] Federally Enforceable Through Title V Permit
36. Source testing to measure NOx and CO emissions from this unit shall be conducted within 60 days of initial start-up. [District Rules 2201, 4305, 4306, and 4320] Federally Enforceable Through Title V Permit
37. Source testing to measure natural gas-combustion NOx and CO emissions from this unit shall be conducted at least once every twelve (12) months. After demonstrating compliance on two (2) consecutive annual source tests, the unit shall be tested not less than once every thirty-six (36) months. If the result of the 36-month source test demonstrates that the unit does not meet the applicable emission limits, the source testing frequency shall revert to at least once every twelve (12) months. [District Rules 2201, 4305, 4306, and 4320] Federally Enforceable Through Title V Permit
38. The source test plan shall identify which basis (ppmv or lb/MMBtu) will be used to demonstrate compliance. [District Rules 4305, 4306, and 4320] Federally Enforceable Through Title V Permit
39. Source testing shall be conducted using the methods and procedures approved by the District. The District must be notified at least 30 days prior to any compliance source test, and a source test plan must be submitted for approval at least 15 days prior to testing. [District Rule 1081] Federally Enforceable Through Title V Permit
40. The following test methods shall be used: NOx (ppmv) - EPA Method 7E or ARB Method 100, NOx (lb/MMBtu) - EPA Method 19, CO (ppmv) - EPA Method 10 or 10B or ARB Method 100, stack gas oxygen - EPA Method 3 or 3A or ARB Method 100, SOx (lb/MMBtu) - ARB Method 8 or 100 or EPA Method 6, 6B, 6C, or 8, or fuel gas sulfur content analysis and EPA Method 19, fuel gas sulfur content - ASTM D1072, D3031, D3246, D4084, D4468, D6667 or double GC for H₂S and mercaptans performed in laboratory, fuel gas hhv - ASTM D1826 or D1945 in conjunction with ASTM D3588. [District Rules 1081, 4305, 4306, and 4320] Federally Enforceable Through Title V Permit
41. For emissions source testing, the arithmetic average of three 30-consecutive-minute test runs shall apply. If two of three runs are above an applicable limit the test cannot be used to demonstrate compliance with an applicable limit. [District Rules 4305, 4306, and 4320] Federally Enforceable Through Title V Permit

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42. All emissions measurements shall be made with the unit operating either at conditions representative of normal operations or conditions specified in the Permit to Operate. No determination of compliance shall be established within two hours after a continuous period in which fuel flow to the unit is shut off for 30 minutes or longer, or within 30 minutes after a re-ignition as defined in District Rules 4306 and 4320. [District Rules 4305, 4306, and 4320] Federally Enforceable Through Title V Permit
43. The results of each source test shall be submitted to the District within 60 days thereafter. [District Rule 1081] Federally Enforceable Through Title V Permit
44. Copies of all gas purchase contracts, supplier certifications, and test results to determine compliance with the conditions of this permit shall be maintained. The operator shall record daily amount and type(s) of fuel(s) combusted, fuel sources, and all dates on which unit is fired on any noncertified fuel and record specific type of noncertified fuel used. [District Rule 2520, 9.4.2] Federally Enforceable Through Title V Permit
45. Prior to operating equipment under this Authority to Construct, permittee shall surrender emission reduction credits for the following quantities of emissions: NOx: 2374 lb/quarter; PM10: 894 lb/quarter, and VOC: 1536 lb/qtr. Offsets include the applicable offset ratio specified in Section 4.8 of Rule 2201 (as amended 9/21/06). [District Rule 2201] Federally Enforceable Through Title V Permit
46. ERC Certificate Numbers S-3629-2 (NOx), S-3145-1 (VOC), and S-3598-4 (PM10) (or certificates split from these certificates) shall be used to supply the required offsets, unless a revised offsetting proposal is received and approved by the District, upon which this Authority to Construct shall be reissued, administratively specifying the new offsetting proposal. Original public noticing requirements, if any, shall be duplicated prior to reissuance of this Authority to Construct. [District Rule 2201] Federally Enforceable Through Title V Permit
47. Permittee shall maintain a record of the duration of each startup of this unit. [District Rule 4306] Federally Enforceable Through Title V Permit
48. All records shall be maintained and retained on-site for a period of at least 5 years and shall be made available for District inspection upon request. [District Rule 1070, 4305, 4306, and 4320] Federally Enforceable Through Title V Permit



AUTHORITY TO CONSTRUCT

PERMIT NO: S-2010-284-0

ISSUANCE DATE: 03/01/2012

LEGAL OWNER OR OPERATOR: CHEVRON USA INC
MAILING ADDRESS: PO BOX 1392
BAKERSFIELD, CA 93302

LOCATION: LIGHT OIL WESTERN STATIONARY SOURCE
CA

EQUIPMENT DESCRIPTION:
62.5 MMBTU/HR NATURAL GAS-FIRED STEAM GENERATOR WITH NORTH AMERICAN MODEL 4231-85-GLE LOW-NOX BURNER ASSEMBLY, OR EQUIVALENT LOW-NOX BURNER, WITH FLUE GAS RECIRCULATION, APPROVED TO OPERATE AT VARIOUS LOCATIONS

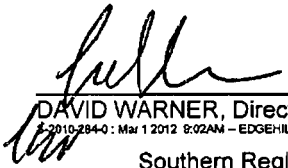
CONDITIONS

1. This Authority to Construct serves as a written certificate of conformity with the procedural requirements of 40 CFR 70.7 and 70.8 and with the compliance requirements of 40 CFR 70.6(c). [District Rule 2520] Federally Enforceable Through Title V Permit
2. Prior to operating with modifications authorized by this Authority to Construct, the facility shall submit an application to modify the Title V permit with an administrative amendment in accordance with District Rule 2520 Section 5.3.4. [District Rule 2520, 5.3.4] Federally Enforceable Through Title V Permit
3. Chevron will surrender ERCs sufficient to offset operational emissions as required by District NSR requirements. [Public Resources Code 21000-21177: California Environmental Quality Act]
4. A qualified registered biologist will conduct a focused pre-construction survey to determine the presence/absence of potential impacts on sensitive species prior to the onset of ground disturbance. The survey shall be conducted in accordance with the standard protocol of the USFWS and CDFG. If more than 30 days pass before the onset of ground disturbance, an additional survey shall be conducted by a Certified Biological Representative within 30 days prior to the onset of ground disturbance. [Public Resources Code 21000-21177: California Environmental Quality Act]

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.

Sayed Sadredin, Executive Director / APCO



DAVID WARNER, Director of Permit Services

S-2010-284-0; Mar 1 2012 8:02AM - EDGEHILL : JobK Inspection NOT Required

5. If sensitive species or their nests/dens are detected in the pre-construction survey, the appropriate standardized avoidance measures will be implemented to preclude take of the species. If standardized avoidance measures cannot be achieved Chevron will consult with the CDFG and USFWS to develop alternative compliance measures. If standardized avoidance measures fail and there is a take of a threatened or endangered species Chevron will notify USFWS and CDFG immediately. [Public Resources Code 21000-21177: California Environmental Quality Act]
6. A qualified registered biologist will conduct a focused pre-construction survey to determine the presence/absence of potential impacts on riparian habitats, sensitive natural communities and wetlands prior to the onset of ground disturbance. The survey shall be conducted in accordance with the standard protocol of the USFWS and CDFG. If more than 30 days pass before the onset of ground disturbance, an additional survey shall be conducted by a Certified Biological Representative within 30 days prior to the onset of ground disturbance. [Public Resources Code 21000-21177: California Environmental Quality Act]
7. A qualified registered biologist will conduct a focused pre-construction survey to determine the presence/absence of potential impacts on migratory corridors prior to the onset of ground disturbance. The survey shall be conducted in accordance with the standard protocol of the USFWS and CDFG. If more than 30 days pass before the onset of ground disturbance, an additional survey shall be conducted by a Certified Biological Representative within 30 days prior to the onset of ground disturbance. [Public Resources Code 21000-21177: California Environmental Quality Act]
8. In the event that archaeological/paleontological resources are discovered during ground-disturbing activities associated with construction of the proposed Project, all work within 100 feet of the find shall cease. Chevron will notify and retain a qualified archaeologist/paleontologist to assess and provide an evaluation of the significance of the find. Chevron shall determine whether avoidance is necessary and feasible in light of the factors such as the nature of the find, project design, costs, and other considerations, and, if necessary, develop appropriate mitigation measures in consultation with Kern County and other appropriate agencies and individuals. Work may resume on the Project site once the evaluation of the find is complete by the qualified archaeologist/paleontologist. [Public Resources Code 21000-21177: California Environmental Quality Act]
9. In the event that human remains are discovered during construction of the Project, all work within 100 feet shall be ceased and the discovery will immediately be reported to the County Coroner. If the remains are determined to be Native American in origin, the County Coroner shall notify the Native American Heritage Commission (NAHC) within 24 hours of the determination. The NAHC will solicit those persons it believe to be the nearest descendants of the remains for recommendations. Chevron shall, in consultation with the identified descendants of the remains and/or NAHC, will identify the appropriate measures for the treatment or disposition of the remains. [Public Resources Code 21000-21177: California Environmental Quality Act]
10. Prior to the start of construction activities, Chevron shall provide the District with documentation demonstrating that maps identifying all wells in the vicinity of the sites have been submitted to DOGGR for compliance with DOGGR's "Well Review Program". [Public Resources Code 21000-21177: California Environmental Quality Act]
11. During construction activities, if unknown, unrecorded or abandoned wells are discovered or if any wells are damaged, Chevron shall immediately notify DOGGR. [Public Resources Code 21000-21177: California Environmental Quality Act]
12. Any wells discovered or exposed during construction activities will be tested for flammable vapors. [Public Resources Code 21000-21177: California Environmental Quality Act]
13. This steam generator is permitted to operate at the following locations: Section 29 T26S/R21E, SE, SW Section 32, T26S/R21E, and NW, SW Section 33 T26S/R21E. [District Rule 4102] Federally Enforceable Through Title V Permit
14. The permittee shall notify the District Compliance Division of each location at which the operation is located in excess of 24 hours. Such notification shall be made no later than 48 hours after starting operation at the location. [District Rule 1070] Federally Enforceable Through Title V Permit
15. The permittee shall obtain written District approval for the use of any equivalent equipment not specifically approved by this Authority to Construct. Approval of the equivalent equipment shall be made only after the District's determination that the submitted design and performance of the proposed alternate equipment is equivalent to the specifically authorized equipment. [District Rule 2201] Federally Enforceable Through Title V Permit

CONDITIONS CONTINUE ON NEXT PAGE

16. The permittee's request for approval of equivalent equipment shall include the make, model, manufacturer's maximum rating, manufacturer's guaranteed emission rates, equipment drawing(s), and operational characteristics/parameters. [District Rule 2010] Federally Enforceable Through Title V Permit
17. Alternate equipment shall be of the same class and category of source as the equipment authorized by the Authority to Construct. [District Rule 2201] Federally Enforceable Through Title V Permit
18. No emission factor and no emission shall be greater for the alternate equipment than for the proposed equipment. No changes in the hours of operation, operating rate, throughput, or firing rate may be authorized for any alternate equipment. [District Rule 2201] Federally Enforceable Through Title V Permit
19. Flue gas recirculation (FGR) shall be utilized in conjunction with low-NOx burner to maintain ongoing compliance with permitted emission limits. [District Rule 2201] Federally Enforceable Through Title V Permit
20. Natural gas fuel sulfur content shall not exceed 1.0 grains-S/100 scf. [District Rule 2201] Federally Enforceable Through Title V Permit
21. The maximum duration of commissioning, i.e. adjustment and tuning of the unit for proper operation and compliance with permitted emissions limits, shall not exceed 60 days from initial startup. [District Rule 2080] Federally Enforceable Through Title V Permit
22. Total duration of startup, shutdown, commissioning, refractory curing operation shall not exceed 300 hours per calendar year. Permittee shall maintain records of the date and duration of each activity and the total hours of such operation for the calendar year. [District Rule 2080] Federally Enforceable Through Title V Permit
23. Permittee shall submit written notification to the District prior to commissioning or refractory curing activities. Such notification shall include anticipated beginning and ending dates of such activities. [District Rule 2080] Federally Enforceable Through Title V Permit
24. Emission rates shall not exceed any of the following: PM10: 0.0032 lb/MMBtu; or VOC: 0.0055 lb/MMBtu. [District Rule 2201] Federally Enforceable Through Title V Permit
25. Emission rates, except during startup, shutdown, commissioning, and refractory curing shall not exceed: NOx (as NO2): 7 ppmvd @ 3% O2 or 0.0085 lb/MMBtu; or CO: 25 ppmvd @ 3% O2 or 0.0185 lb/MMBtu. [District Rules 2201, 4305, 4306, and 4320] Federally Enforceable Through Title V Permit
26. Duration of start-up and shutdown shall not exceed 2 hours each per occurrence. [District Rules 2201, 4305, 4306, and 4320] Federally Enforceable Through Title V Permit
27. If the unit is fired on noncertified gaseous fuel and compliance with SOx emission limits is achieved through fuel sulfur content limitations, then the sulfur content of the gaseous fuel being fired in the unit shall be determined using ASTM D 1072, D 3031, D 3246, D 4084, D 4468, D 6667 or grab sample analysis by GC-FPD/TCD performed in the laboratory. [District Rule 1070, 2201, and 2520] Federally Enforceable Through Title V Permit
28. When complying with sulfur emission limits by fuel analysis or by a combination of source testing and fuel analysis, each fuel source shall be tested weekly for sulfur content and higher heating value. If compliance with the fuel sulfur content limit and sulfur emission limits has been demonstrated for 8 consecutive weeks for a fuel source, then the fuel testing frequency shall be semi-annually. If a semi-annual fuel content source test fails to show compliance, weekly testing shall resume. [District Rules 1070, 2201, and 2520] Federally Enforceable Through Title V Permit
29. If fuel analysis is used to demonstrate compliance with conditions of this permit, the fuel higher heating value for each fuel shall be certified by a third party fuel supplier or determined by ASTM D 1826 or D 1945 in conjunction with ASTM D 3588 for gaseous fuels. [District Rules 1070, 2201, and 2520] Federally Enforceable Through Title V Permit
30. The permittee shall monitor and record the stack concentration of NOx, CO, and O2 at least once every month (in which a source test is not performed) using a portable emission monitor that meets District specifications. Monitoring shall not be required if the unit is not in operation, i.e. the unit need not be started solely to perform monitoring. Monitoring shall be performed within 5 days of restarting the unit unless monitoring has been performed within the last month. [District Rules 2520, 4305, 4306, and 4320] Federally Enforceable Through Title V Permit

CONDITIONS CONTINUE ON NEXT PAGE

31. If either the NO_x or CO concentrations corrected to 3% O₂, as measured by the portable analyzer, exceed the allowable emissions concentration, the permittee shall return the emissions to within the acceptable range as soon as possible, but no longer than 1 hour of operation after detection. If the portable analyzer readings continue to exceed the allowable emissions concentration after 1 hour of operation after detection, the permittee shall notify the District within the following 1 hour and conduct a certified source test within 60 days of the first exceedance. In lieu of conducting a source test, the permittee may stipulate a violation has occurred, subject to enforcement action. The permittee must then correct the violation, show compliance has been re-established, and resume monitoring procedures. If the deviations are the result of a qualifying breakdown condition pursuant to Rule 1100, the permittee may fully comply with Rule 1100 in lieu of the performing the notification and testing required by this condition. [District Rules 2520, 4305, 4306, and 4320] Federally Enforceable Through Title V Permit
32. All alternate monitoring parameter emission readings shall be taken with the unit operating either at conditions representative of normal operations or conditions specified in the Permit to Operate. The analyzer shall be calibrated, maintained, and operated in accordance with the manufacturer's specifications and recommendations or a protocol approved by the APCO. Emission readings taken shall be averaged over a 15 consecutive-minute period by either taking a cumulative 15 consecutive-minute sample reading or by taking at least five (5) readings, evenly spaced out over the 15 consecutive-minute period. [District Rules 2520, 4305, 4306, and 4320]
33. The permittee shall maintain records of: (1) the date and time of NO_x, CO, and O₂ measurements, (2) the O₂ concentration in percent and the measured NO_x and CO concentrations corrected to 3% O₂, (3) make and model of exhaust gas analyzer, (4) exhaust gas analyzer calibration records, and (5) a description of any corrective action taken to maintain the emissions within the acceptable range. [District Rules 2520, 4305, 4306, and 4320]
34. Compliance demonstration (source testing) shall be by District witnessed, or authorized, sample collection by ARB certified laboratory. [District Rule 1081] Federally Enforceable Through Title V Permit
35. All required source testing shall conform to the compliance testing procedures described in District Rule 1081 (Amended December 16, 1993). [District Rule 1081, and County Rules 108 (Kings), 108.1 (Fresno, Merced, San Joaquin, Tulare, Kern, and Stanislaus), and 110 (Madera)] Federally Enforceable Through Title V Permit
36. Source testing to measure NO_x and CO emissions from this unit shall be conducted within 60 days of initial start-up. [District Rules 2201, 4305, 4306, and 4320] Federally Enforceable Through Title V Permit
37. Source testing to measure natural gas-combustion NO_x and CO emissions from this unit shall be conducted at least once every twelve (12) months. After demonstrating compliance on two (2) consecutive annual source tests, the unit shall be tested not less than once every thirty-six (36) months. If the result of the 36-month source test demonstrates that the unit does not meet the applicable emission limits, the source testing frequency shall revert to at least once every twelve (12) months. [District Rules 2201, 4305, 4306, and 4320]
38. The source test plan shall identify which basis (ppmv or lb/MMBtu) will be used to demonstrate compliance. [District Rules 4305, 4306, and 4320] Federally Enforceable Through Title V Permit
39. Source testing shall be conducted using the methods and procedures approved by the District. The District must be notified at least 30 days prior to any compliance source test, and a source test plan must be submitted for approval at least 15 days prior to testing. [District Rule 1081] Federally Enforceable Through Title V Permit
40. The following test methods shall be used: NO_x (ppmv) - EPA Method 7E or ARB Method 100, NO_x (lb/MMBtu) - EPA Method 19, CO (ppmv) - EPA Method 10 or 10B or ARB Method 100, stack gas oxygen - EPA Method 3 or 3A or ARB Method 100, SO_x (lb/MMBtu) - ARB Method 8 or 100 or EPA Method 6, 6B, 6C, or 8, or fuel gas sulfur content analysis and EPA Method 19, fuel gas sulfur content - ASTM D1072, D3031, D3246, D4084, D4468, D6667 or double GC for H₂S and mercaptans performed in laboratory, fuel gas hhv - ASTM D1826 or D1945 in conjunction with ASTM D3588. [District Rules 1081, 4305, 4306, and 4320] Federally Enforceable Through Title V Permit
41. For emissions source testing, the arithmetic average of three 30-consecutive-minute test runs shall apply. If two of three runs are above an applicable limit the test cannot be used to demonstrate compliance with an applicable limit. [District Rules 4305, 4306, and 4320] Federally Enforceable Through Title V Permit

CONDITIONS CONTINUE ON NEXT PAGE

42. All emissions measurements shall be made with the unit operating either at conditions representative of normal operations or conditions specified in the Permit to Operate. No determination of compliance shall be established within two hours after a continuous period in which fuel flow to the unit is shut off for 30 minutes or longer, or within 30 minutes after a re-ignition as defined in District Rules 4306 and 4320. [District Rules 4305, 4306, and 4320] Federally Enforceable Through Title V Permit
43. The results of each source test shall be submitted to the District within 60 days thereafter. [District Rule 1081] Federally Enforceable Through Title V Permit
44. Copies of all gas purchase contracts, supplier certifications, and test results to determine compliance with the conditions of this permit shall be maintained. The operator shall record daily amount and type(s) of fuel(s) combusted, fuel sources, and all dates on which unit is fired on any noncertified fuel and record specific type of noncertified fuel used. [District Rule 2520, 9.4.2] Federally Enforceable Through Title V Permit
45. Prior to operating under this Authority to Construct, permittee shall surrender emission reduction credits for the following quantities of emissions: NO_x, 1,745 lb/quarter; PM₁₀, 657 lb/quarter and VOC, 1129 lb/quarter. Offsets include the applicable offset ratio specified in Section 4.8 of Rule 2201 (as amended 9/21/06). [District Rule 2201] Federally Enforceable Through Title V Permit
46. ERC Certificate Numbers S-2041024/401 (NO_x), S-3145-1 (VOC), and S-3084-4 (PM₁₀) (or certificates split from these certificates) shall be used to supply the required offsets, unless a revised offsetting proposal is received and approved by the District, upon which this Authority to Construct shall be reissued, administratively specifying the new offsetting proposal. Original public noticing requirements, if any, shall be duplicated prior to reissuance of this Authority to Construct. [District Rule 2201] Federally Enforceable Through Title V Permit