



MAY 16 2012

Mr. Dennis Champion
Occidental of Elk Hills Inc
10800 Stockdale Hwy
Bakersfield, CA 93311

**Re: Final - Authority to Construct / COC (Significant Mod)
District Facility # S-2234
Project # S1114442**

Dear Mr. Champion:

The Air Pollution Control Officer has issued an Authority to Construct (S-2234-245-0 through '-249-0) with a Certificate of Conformity to Occidental of Elk Hills Inc within the existing gas plant stationary source near Tupman, CA. The project authorizes the installation of a new amine gas treating unit.

Enclosed is the Authority to Construct. The application and proposal were sent to US EPA Region IX on April 2, 2012. 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: RUEL/cm

Enclosures

Seyed Sadredin
Executive Director/Air Pollution Control Officer

Northern Region
4800 Enterprise Way
Modesto, CA 95356-8718
Tel: (209) 557-6400 FAX: (209) 557-6475

Central Region (Main Office)
1990 E. Gettysburg Avenue
Fresno, CA 93726-0244
Tel: (559) 230-6000 FAX: (559) 230-6061

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



MAY 16 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-2234
Project # S1114442**

Dear Mr. Rios:

The Air Pollution Control Officer has issued an Authority to Construct (S-2234-245-0 through '-249-0) with a Certificate of Conformity to Occidental of Elk Hills Inc within the existing gas plant stationary source near Tupman, CA. The project authorizes the installation of a new amine gas treating unit.

Enclosed is a copy of the Authority to Construct. The application and proposal were sent to US EPA Region IX on April 2, 2012. 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: RUEL/cm

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MAY 16 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-2234
Project # S1114442**

Dear Mr. Tollstrup:

The Air Pollution Control Officer has issued an Authority to Construct (S-2234-245-0 through '-249-0) with a Certificate of Conformity to Occidental of Elk Hills Inc within the existing gas plant stationary source near Tupman, CA. The project authorizes the installation of a new amine gas treating unit.

Enclosed is a copy of the Authority to Construct. The application and proposal were sent to US EPA Region IX on April 2, 2012. 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: RUEL/cm

Enclosures

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**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 an Authority to Construct to Occidental of Elk Hills Inc for amine gas treating unit located within the existing gas plant stationary source near Tupman, CA, California. The project authorizes the installation of a new amine gas treating unit.

The District's analysis of the legal and factual basis for this proposed action, project #S11.14442, 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-2234-245-0

ISSUANCE DATE: 05/14/2012

LEGAL OWNER OR OPERATOR: OCCIDENTAL OF ELK HILLS INC
MAILING ADDRESS: 10800 STOCKDALE HIGHWAY
BAKERSFIELD, CA 93311

LOCATION: GAS PLANT
SECTION SE-35, T-30S, R-23E
TUPMAN, CA

SECTION: SE 14 **TOWNSHIP:** 30S **RANGE:** 22E

EQUIPMENT DESCRIPTION:

AMINE TREATING SYSTEM WITH AMINE CONTACTOR; AMINE REGENERATION SYSTEM WITH RE-BOILER HEATED BY HOT OIL SYSTEM; WITH FLASH VESSEL AND AMINE REGENERATION OVERHEAD VAPORS ROUTED TO PROCESS SYSTEM INCLUDING OTHER MISCELLANEOUS EQUIPMENT SUCH AS FILTERS, HEAT EXCHANGERS, PUMPS AND VESSELS

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 2201] 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. All equipment shall be maintained in good operating condition and shall be operated in a manner to minimize emissions of air contaminants into the atmosphere. [District NSR Rule] Federally Enforceable Through Title V Permit
4. No air contaminant shall be released into the atmosphere which causes a public nuisance. [District Rule 4102]
5. No air contaminant shall be discharged into the atmosphere for a period or periods aggregating more than three minutes in any one hour which is as dark as, or darker than, Ringelmann 1 or 20% opacity. [District Rule 4101]
6. Particulate matter emissions shall not exceed 0.1 grains/dscf in concentration. [District Rule 4201] Federally Enforceable Through Title V Permit

CONDITIONS CONTINUE ON NEXT PAGE

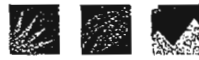
YOU MUST NOTIFY THE DISTRICT COMPLIANCE DIVISION AT (661) 392-5500 WHEN CONSTRUCTION IS COMPLETED AND PRIOR TO OPERATING THE EQUIPMENT OR MODIFICATIONS AUTHORIZED BY THIS AUTHORITY TO CONSTRUCT. This is NOT a PERMIT TO OPERATE. Approval or denial of a PERMIT TO OPERATE will be made after an inspection to verify that the equipment has been constructed in accordance with the approved plans, specifications and conditions of this Authority to Construct, and to determine if the equipment can be operated in compliance with all Rules and Regulations of the San Joaquin Valley Unified Air Pollution Control District. Unless construction has commenced pursuant to Rule 2050, this Authority to Construct shall expire and application shall be cancelled two years from the date of issuance. The applicant is responsible for complying with all laws, ordinances and regulations of all other governmental agencies which may pertain to the above equipment.

Seyed Sadredin, Executive Director / APCO

DAVID WARNER, Director of Permit Services

S-2234-245-0 : May 14 2012 12:37PM - EDGSHLR : Joint Inspection Required with EDOEHLR

7. Permittee shall maintain with the permit accurate fugitive component counts and resulting emissions calculated using (ALR) equations for a 2,000 ppmv leak threshold included in EPA, "Protocol for Estimating Leak Emissions" (EPA - 453/R-95-017, November 1995). [District Rule 2201] Federally Enforceable Through Title V Permit
8. A leak-free condition is defined as a condition without a gas leak or a liquid leak. A gas leak is defined as a reading in excess of 2,000 parts per million by volume (ppmv), as methane, above background on a portable hydrocarbon detection instrument that is calibrated to methane in accordance with the procedures specified in EPA Test Method 21. A liquid leak is defined as the dripping of organic liquid at a rate more than 3 drops per minute. A gas or liquid leak is a violation of this permit and shall be reported as a deviation. [District Rule 2201] Federally Enforceable Through Title V Permit
9. VOC fugitive emissions shall not exceed 1.0 lb/day. [District Rule 2201] Federally Enforceable Through Title V Permit
10. 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] Federally Enforceable Through Title V Permit
11. Prior to operating equipment under this Authority to Construct, permittee shall surrender emission reduction credits for the following quantities of emissions: VOC: 140 lb/qr. Offsets include the applicable offset ratio specified in Section 4.8 of Rule 2201 (as amended 4/21/11). [District Rule 2201] Federally Enforceable Through Title V Permit
12. ERC Certificate Numbers S-3615-1 (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



AUTHORITY TO CONSTRUCT

PERMIT NO: S-2234-246-0

ISSUANCE DATE: 05/14/2012

LEGAL OWNER OR OPERATOR: OCCIDENTAL OF ELK HILLS INC
MAILING ADDRESS: 10800 STOCKDALE HIGHWAY
BAKERSFIELD, CA 93311

LOCATION: GAS PLANT
SECTION SE-35, T-30S, R-23E
TUPMAN, CA

SECTION: SE 14 TOWNSHIP: 30S RANGE: 22E

EQUIPMENT DESCRIPTION:

ELECTRICALLY HEATED GLYCOL DEHYDRATION UNIT WITH VAPORS FROM FLASH VESSEL AND STILL VENT ROUTED TO PROCESS SYSTEM INCLUDING OTHER MISCELLANEOUS EQUIPMENT SUCH AS FILTERS, HEAT EXCHANGERS, PUMPS AND VESSELS

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 2201] 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. All equipment shall be maintained in good operating condition and shall be operated in a manner to minimize emissions of air contaminants into the atmosphere. [District NSR Rule] Federally Enforceable Through Title V Permit
4. No air contaminant shall be released into the atmosphere which causes a public nuisance. [District Rule 4102]
5. No air contaminant shall be discharged into the atmosphere for a period or periods aggregating more than three minutes in any one hour which is as dark as, or darker than, Ringelmann 1 or 20% opacity. [District Rule 4101]
6. Particulate matter emissions shall not exceed 0.1 grains/dscf in concentration. [District Rule 4201] Federally Enforceable Through Title V Permit

CONDITIONS CONTINUE ON NEXT PAGE

YOU **MUST** NOTIFY THE DISTRICT COMPLIANCE DIVISION AT (661) 392-5500 WHEN CONSTRUCTION IS COMPLETED AND PRIOR TO OPERATING THE EQUIPMENT OR MODIFICATIONS AUTHORIZED BY THIS AUTHORITY TO CONSTRUCT. This is NOT a PERMIT TO OPERATE. Approval or denial of a PERMIT TO OPERATE will be made after an inspection to verify that the equipment has been constructed in accordance with the approved plans, specifications and conditions of this Authority to Construct, and to determine if the equipment can be operated in compliance with all Rules and Regulations of the San Joaquin Valley Unified Air Pollution Control District. Unless construction has commenced pursuant to Rule 2050, this Authority to Construct shall expire and application shall be cancelled two years from the date of issuance. The applicant is responsible for complying with all laws, ordinances and regulations of all other governmental agencies which may pertain to the above equipment.

Sayed Sadredin, Executive Director / APCO

DAVID WARNER, Director of Permit Services
S-2234-246-0 - May 14 2012 12:37PM - EDGEHILL : Joint Inspection Required with EDGEHILL

7. Permittee shall maintain with the permit accurate fugitive component counts and resulting emissions calculated using (ALR) equations for a 2,000 ppmv leak threshold included in EPA, "Protocol for Estimating Leak Emissions" (EPA - 453/R-95-017, November 1995). [District Rule 2201] Federally Enforceable Through Title V Permit
8. A leak-free condition is defined as a condition without a gas leak or a liquid leak. A gas leak is defined as a reading in excess of 2,000 parts per million by volume (ppmv), as methane, above background on a portable hydrocarbon detection instrument that is calibrated to methane in accordance with the procedures specified in EPA Test Method 21. A liquid leak is defined as the dripping of organic liquid at a rate more than 3 drops per minute. A gas or liquid leak is a violation of this permit and shall be reported as a deviation. [District Rule 2201] Federally Enforceable Through Title V Permit
9. VOC fugitive emissions shall not exceed 0.6 lb/day. [District Rule 2201] Federally Enforceable Through Title V Permit
10. 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] Federally Enforceable Through Title V Permit
11. Prior to operating equipment under this Authority to Construct, permittee shall surrender emission reduction credits for the following quantities of emissions: VOC: 87 lb/qtr. Offsets include the applicable offset ratio specified in Section 4.8 of Rule 2201 (as amended 4/21/11). [District Rule 2201] Federally Enforceable Through Title V Permit
12. ERC Certificate Numbers S-3615-1 (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



AUTHORITY TO CONSTRUCT

PERMIT NO: S-2234-247-0

ISSUANCE DATE: 05/14/2012

LEGAL OWNER OR OPERATOR: OCCIDENTAL OF ELK HILLS INC
MAILING ADDRESS: 10800 STOCKDALE HIGHWAY
BAKERSFIELD, CA 93311

LOCATION: GAS PLANT
SECTION SE-35, T-30S, R-23E
TUPMAN, CA

SECTION: SE 14 **TOWNSHIP:** 30S **RANGE:** 22E

EQUIPMENT DESCRIPTION:

68 MMBTU/HR VERTICALLY ORIENTED PROCESS HEATER (HOT OIL HEATER) EQUIPPED WITH COEN RMB ULTRA LOW NOX BURNER (OR EQUIVALENT EMISSION UNIT)

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 2201] 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. 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
4. 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 2201] Federally Enforceable Through Title V Permit
5. 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

CONDITIONS CONTINUE ON NEXT PAGE

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Seyed Sadredin, Executive Director / APCO



DAVID WARNER, Director of Permit Services

S-2234-247-0; May 14 2012 12:37PM - EDGEBLR : Jobd Inspection Required with EDGEBLR

6. 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
7. All equipment shall be maintained in good operating condition and shall be operated in a manner to minimize emissions of air contaminants into the atmosphere. [District NSR Rule] Federally Enforceable Through Title V Permit
8. No air contaminant shall be released into the atmosphere which causes a public nuisance. [District Rule 4102] Federally Enforceable Through Title V Permit
9. No air contaminant shall be discharged into the atmosphere for a period or periods aggregating more than three minutes in any one hour which is as dark as, or darker than, Ringelmann 1 or 20% opacity. [District Rule 4101] Federally Enforceable Through Title V Permit
10. Particulate matter emissions shall not exceed 0.1 grains/dscf in concentration. [District Rule 4201] Federally Enforceable Through Title V Permit
11. Hot oil heater shall only be fired on natural gas with a sulfur content not exceeding 1.0 gr S/100scf. [District Rules 2201 and 4320] Federally Enforceable Through Title V Permit
12. Emissions from the natural gas-fired unit shall not exceed any of the following limits: 7 ppmvd NO_x @ 3% O₂ or 0.0085 lb-NO_x/MMBtu, 0.0076 lb-PM₁₀/MMBtu, 50 ppmvd CO @ 3% O₂ or 0.037 lb-CO/MMBtu, or 0.0054 lb-VOC/MMBtu. [District Rules 2201, 4305, 4306, and 4320] Federally Enforceable Through Title V Permit
13. 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 Section 3.0 of District Rule 4306. [District Rules 4305, 4306, and 4320] Federally Enforceable Through Title V Permit
14. Permittee shall measure sulfur content of gas used as fuel in heater within 60 days of startup and at least once every year thereafter. Such data shall be submitted to the District within 60 days of sample collection. [District Rules 2201, 4320, and 4801]
15. Permittee shall determine sulfur content of gas combusted in heater using ASTM method D3246 or double GC for H₂S and mercaptans. [District Rules 2201 and 4320] Federally Enforceable Through Title V Permit
16. Source testing to measure NO_x and CO emissions from this unit while fired on natural gas shall be conducted within 60 days of initial start-up. [District Rules 2201, 4305, 4306, and 4320] Federally Enforceable Through Title V Permit
17. Source testing to measure NO_x and CO emissions from this unit while fired on natural gas 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 4305, 4306, and 4320] Federally Enforceable Through Title V Permit
18. 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
19. 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
20. NO_x emissions for source test purposes shall be determined using EPA Method 7E or ARB Method 100 on a ppmv basis, or EPA Method 19 on a heat input basis. [District Rules 4305, 4306, and 4320] Federally Enforceable Through Title V Permit
21. CO emissions for source test purposes shall be determined using EPA Method 10 or ARB Method 100. [District Rules 4305, 4306, and 4320] Federally Enforceable Through Title V Permit
22. Stack gas oxygen (O₂) shall be determined using EPA Method 3 or 3A or ARB Method 100. [District Rules 4305, 4306, and 4320] Federally Enforceable Through Title V Permit

CONDITIONS CONTINUE ON NEXT PAGE

23. 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
24. 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
25. 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 4305, 4306, and 4320] Federally Enforceable Through Title V Permit
26. 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 4305, 4306, and 4320] Federally Enforceable Through Title V Permit
27. 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 4305, 4306, and 4320] Federally Enforceable Through Title V Permit
28. 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 4305, 4306, and 4320] Federally Enforceable Through Title V Permit
29. 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] Federally Enforceable Through Title V Permit
30. Prior to operating equipment under this Authority to Construct, permittee shall surrender emission reduction credits for the following quantities of emissions: NO_x: 1899 lb/quarter; SO_x: 521 lb/quarter; PM₁₀: 1471 lb/quarter, and VOC: 1206 lb/qtr. Offsets include the applicable offset ratio specified in Section 4.8 of Rule 2201 (as amended 4/21/11). PM₁₀ may be offset using SO_x at an interpollutant offset ratio of 1.0 tons SO_x/ton PM₁₀. [District Rule 2201] Federally Enforceable Through Title V Permit
31. ERC Certificate Numbers S-3514-2, S-3508-5, and S-3615-1 (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



AUTHORITY TO CONSTRUCT

PERMIT NO: S-2234-248-0

ISSUANCE DATE: 05/14/2012

LEGAL OWNER OR OPERATOR: OCCIDENTAL OF ELK HILLS INC
MAILING ADDRESS: 10800 STOCKDALE HIGHWAY
BAKERSFIELD, CA 93311

LOCATION: GAS PLANT
SECTION SE-35, T-30S, R-23E
TUPMAN, CA

SECTION: SE 14 **TOWNSHIP:** 30S **RANGE:** 22E

EQUIPMENT DESCRIPTION:

2000 GALLON HORIZONTAL DRAIN TANK SERVED BY VAPOR RECOVERY SYSTEM WITH VAPORS RETURNED TO A PROCESS STREAM OR TO A GAS GATHERING SYSTEM

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 2201] 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. All equipment shall be maintained in good operating condition and shall be operated in a manner to minimize emissions of air contaminants into the atmosphere. [District NSR Rule] Federally Enforceable Through Title V Permit
4. No air contaminant shall be released into the atmosphere which causes a public nuisance. [District Rule 4102]
5. No air contaminant shall be discharged into the atmosphere for a period or periods aggregating more than three minutes in any one hour which is as dark as, or darker than, Ringelmann 1 or 20% opacity. [District Rule 4101] Federally Enforceable Through Title V Permit

CONDITIONS CONTINUE ON NEXT PAGE

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Seyed Sadredin, Executive Director / APCO



DAVID WARNER, Director of Permit Services

S-2234-248-0 : May 14 2012 12:38PM - EDGEBILR : Joint Inspection Required with EDGEBILR

6. Permittee shall maintain with the permit accurate fugitive component counts and resulting emissions for the tank calculated using (ALR) equations for a 10,000 ppmv leak threshold included in EPA, "Protocol for Estimating Leak Emissions" (EPA - 453/R-95-017, November 1995). [District Rule 2201] Federally Enforceable Through Title V Permit
7. Permittee shall maintain with the permit accurate fugitive component counts and resulting emissions for the tank vapor control system calculated using (ALR) equations for a 2,000 ppmv leak threshold included in EPA, "Protocol for Estimating Leak Emissions" (EPA - 453/R-95-017, November 1995). [District Rule 2201] Federally Enforceable Through Title V Permit
8. Storage tank and all piping, valves, and fittings shall be constructed and maintained in a leak-free condition. [District Rules 2201 and 4623] Federally Enforceable Through Title V Permit
9. A leak-free condition is defined as a condition without a gas leak or a liquid leak. A gas leak is defined as a reading in excess of 10,000 parts per million by volume (ppmv) for the tank and 2,000 parts per million by volume (ppmv) for the tank vapor control system, as methane, above background on a portable hydrocarbon detection instrument that is calibrated to methane in accordance with the procedures specified in EPA Test Method 21. A liquid leak is defined as the dripping of organic liquid at a rate more than 3 drops per minute. A gas or liquid leak is a violation of this permit and shall be reported as a deviation. [District Rules 2201 and 4623] Federally Enforceable Through Title V Permit
10. VOC fugitive emissions in piping from tank to vapor control system trunk line shall not exceed 0.1 lb/day. [District Rule 2201] Federally Enforceable Through Title V Permit
11. VOC fugitive emissions associated with tank shall not exceed 0.2 lb/day. [District Rule 2201] Federally Enforceable Through Title V Permit
12. Gas-leak concentration shall be determined by EPA Method 21. [District Rule 2201] Federally Enforceable Through Title V Permit
13. Storage tank shall be equipped with a vapor recovery system consisting of a closed vent system that collects all VOCs from the storage tank, and a VOC control device. The vapor recovery system shall be APCO-approved and maintained in gas-tight condition. The VOC control device shall be either of the following: a vapor return or condensation system that connects to a gas pipeline distribution system, or an approved VOC destruction device that reduces the inlet VOC emissions by at least 99% by weight as determined by the test method specified in Section 6.4.7. [District Rules 2201 and 4623] Federally Enforceable Through Title V Permit
14. The control efficiency of any VOC control device, measured and calculated as carbon, shall be determined by EPA Method 25, except when the outlet concentration must be below 50 ppm in order to meet the standard, in which case EPA Method 25a may be used. EPA Method 18 may be used in lieu of EPA Method 25 or EPA Method 25a provided the identity and approximate concentrations of the analytes/compounds in the sample gas stream are known before analysis with the gas chromatograph and the gas chromatograph is calibrated for each of those known analyte/compound to ensure that the VOC concentrations are neither under- or over-reported. [District Rules 2201 and 4623] Federally Enforceable Through Title V Permit
15. Any tank gauging or sampling device on storage tank vented to the vapor recovery system shall be equipped with a leak-free cover which shall be closed at all times except during gauging or sampling. [District Rules 2201 and 4623] Federally Enforceable Through Title V Permit
16. Operator shall visually inspect storage tank shell, hatches, seals, seams, cable seals, valves, flanges, connectors, and any other piping components directly affixed to the tank and within five feet of the tank at least once per year for liquid leaks, and with a portable hydrocarbon detection instrument conducted in accordance with EPA Method 21 for gas leaks. Operator shall also visually or ultrasonically inspect as appropriate, the external shell and roof of the uninsulated tank for structural integrity annually. [District Rules 2210 and 4623] Federally Enforceable Through Title V Permit
17. Upon detection of a liquid leak from storage tank, defined as a leak rate of greater than or equal to 30 drops per minute, operator shall repair the leak within 8 hours. For leaks with a liquid leak rate of between 3 and 30 drops per minute, the leaking component shall be repaired within 24 hours after detection. [District Rules 2201 and 4623] Federally Enforceable Through Title V Permit

CONDITIONS CONTINUE ON NEXT PAGE

18. Upon detection of a gas leak, defined as a VOC concentration of greater than 10,000 parts per million by volume (ppmv) for the tank and 2,000 parts per million by volume (ppmv) for the tank vapor control system measured in accordance with EPA Method 21, operator shall take on of the following actions: 1) eliminate the leak within 8 hours after detection; or 2) if the leak cannot be eliminated, then minimize the leak to the lowest possible level within 8 hours after detection by using best maintenance practices, and eliminate the leak within 48 hours after minimization. In no event shall the total time to minimize and eliminate a leak exceed 56 hours after detection [District Rules 2201 and 4623] Federally Enforceable Through Title V Permit
19. Components found to be leaking either liquids or gases shall be immediately affixed with a tag showing the component to be leaking. Operator shall maintain records of the liquid or gas leak detection readings, date/time the leak was discovered, and date/time the component was repaired to a leak-free condition. [District Rules 2201 and 4623] Federally Enforceable Through Title V Permit
20. If a component type for storage tank is found to leak during an annual inspection, operator shall conduct quarterly inspections of that component type on the tank for four consecutive quarters. If no components are found to leak after four consecutive quarters, the operator may revert to annual inspections. [District Rules 2201 and 4623] Federally Enforceable Through Title V Permit
21. Operator shall maintain an inspection log containing the following 1) Type of component leaking; 2) Date and time of leak detection, and method of detection; 3) Date and time of leak repair, and emission level of recheck after leak is repaired; 4) Method used to minimize the leak to lowest possible level within 8 hours after detection. [District Rules 2201 and 4623] Federally Enforceable Through Title V Permit
22. 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] Federally Enforceable Through Title V Permit



AUTHORITY TO CONSTRUCT

PERMIT NO: S-2234-249-0

ISSUANCE DATE: 05/14/2012

LEGAL OWNER OR OPERATOR: OCCIDENTAL OF ELK HILLS INC
MAILING ADDRESS: 10800 STOCKDALE HIGHWAY
BAKERSFIELD, CA 93311

LOCATION: GAS PLANT
SECTION SE-35, T-30S, R-23E
TUPMAN, CA

SECTION: SE 14 TOWNSHIP: 30S RANGE: 22E

EQUIPMENT DESCRIPTION:

2000 GALLON HORIZONTAL DRAIN TANK EQUIPPED WITH A PRESSURE/VACUUM DEVICE TO BE USED BY AN OPEN DRAIN SYSTEM

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 2201] 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. All equipment shall be maintained in good operating condition and shall be operated in a manner to minimize emissions of air contaminants into the atmosphere. [District NSR Rule] Federally Enforceable Through Title V Permit
4. No air contaminant shall be released into the atmosphere which causes a public nuisance. [District Rule 4102]
5. Permittee shall maintain with the permit accurate fugitive component counts and resulting emissions calculated using (ALR) equations for a 10,000 ppmv leak threshold included in EPA, "Protocol for Estimating Leak Emissions" (EPA - 453/R-95-017, November 1995). [District Rule 2201] Federally Enforceable Through Title V Permit

CONDITIONS CONTINUE ON NEXT PAGE

YOU **MUST** NOTIFY THE DISTRICT COMPLIANCE DIVISION AT (661) 392-5500 WHEN CONSTRUCTION IS COMPLETED AND PRIOR TO OPERATING THE EQUIPMENT OR MODIFICATIONS AUTHORIZED BY THIS AUTHORITY TO CONSTRUCT. This is NOT a PERMIT TO OPERATE. Approval or denial of a PERMIT TO OPERATE will be made after an inspection to verify that the equipment has been constructed in accordance with the approved plans, specifications and conditions of this Authority to Construct, and to determine if the equipment can be operated in compliance with all Rules and Regulations of the San Joaquin Valley Unified Air Pollution Control District. Unless construction has commenced pursuant to Rule 2050, this Authority to Construct shall expire and application shall be cancelled two years from the date of issuance. The applicant is responsible for complying with all laws, ordinances and regulations of all other governmental agencies which may pertain to the above equipment.

Seyed Sadredin, Executive Director / APCO

DAVID WARNER, Director of Permit Services
S-2234-249-0 May 14 2012 12:38PM - EDGEHLR : Joint Inspection Required with EDGEHLR

6. A leak-free condition is defined as a condition without a gas leak or a liquid leak. A gas leak is defined as a reading in excess of 10,000 parts per million by volume (ppmv), as methane, above background on a portable hydrocarbon detection instrument that is calibrated to methane in accordance with the procedures specified in EPA Test Method 21. A liquid leak is defined as the dripping of organic liquid at a rate more than 3 drops per minute. A gas or liquid leak is a violation of this permit and shall be reported as a deviation. [District Rule 2201] Federally Enforceable Through Title V Permit
7. Fugitive VOC emissions shall not exceed 0.2 lb/day. [District Rule 2201] Federally Enforceable Through Title V Permit
8. This tank shall only store, place, or hold organic liquid with a true vapor pressure (TVP) of less than 0.5 psia under all storage conditions. [District Rules 2201 and 4623] Federally Enforceable Through Title V Permit
9. Monthly average daily throughput shall not exceed 285 gallons per day. [District Rule 2201] Federally Enforceable Through Title V Permit
10. Permittee shall conduct TVP and API gravity testing of the organic liquid stored in this tank at least once every 24 months during summer (July - September), and/or whenever there is a change in the source or type of organic liquid stored in this tank in order to maintain exemption from the rule. [District Rule 4623] Federally Enforceable Through Title V Permit
11. TVP of an organic liquid shall be determined by measuring the Reid Vapor Pressure (RVP) using ASTM D323-94 (Test Method for Vapor Pressure for Petroleum Products), and converting the RVP to TVP at the tank's maximum organic liquid storage temperature. The conversion of RVP to TVP shall be done in accordance with the procedure listed in Appendix B of Rule 4623. Should the permittee determine that another method is more appropriate for TVP testing, the methodology must be approved by the District and US EPA prior to its use. [District Rule 4623] Federally Enforceable Through Title V Permit
12. For crude oil with an API gravity of 26 degrees or less, the TVP shall be determined using the latest version of the Lawrence Berkeley National Laboratory "Test Method for Vapor pressure of Reactive Organic Compounds in Heavy Crude Oil Using Gas Chromatograph", as approved by ARB and EPA. Should the permittee determine that another method is more appropriate for TVP testing, the methodology must be approved by the District and US EPA prior to its use. [District Rule 4623] Federally Enforceable Through Title V Permit
13. TVP and API gravity test records shall be submitted to the District within 45 days after the date of testing. The record shall include the tank identification number, permit number, type of stored organic liquid, TVP and API gravity of the stored organic liquid, test methods used, and a copy of the test results. [District Rule 4623] Federally Enforceable Through Title V Permit
14. The permittee shall keep accurate records of each organic liquid stored in the tank, including its throughput, storage temperature, TVP, and API gravity. [District Rules 2201 and 4623] Federally Enforceable Through Title V Permit
15. 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] Federally Enforceable Through Title V Permit