



**JUN 13 2012**

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

**Re: Final - Authority to Construct / COC (Significant Mod)  
District Facility # S-1326  
Project # S1120328**

Dear Mr. Barulich:

The Air Pollution Control Officer has issued an Authority to Construct (S-1326-382-2) with a Certificate of Conformity to Vintage Production California LLC in the heavy oil production stationary source within the central Kern County fields, CA. The project authorizes an increase in annual flow to an air-assisted process flare.

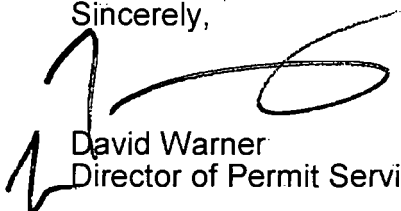
Enclosed is the Authority to Construct. The application and proposal were sent to US EPA Region IX on April 27, 2012. No comments were received following the District's preliminary decision on this project.

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: 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

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



JUN 13 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-1326  
Project # S1120328**

Dear Mr. Rios:

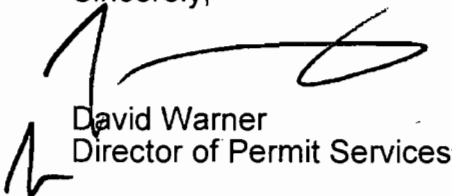
The Air Pollution Control Officer has issued an Authority to Construct (S-1326-382-2) with a Certificate of Conformity to Vintage Production California LLC in the heavy oil production stationary source within the central Kern County fields, CA. The project authorizes an increase in annual flow to an air-assisted process flare.

Enclosed is a copy of the Authority to Construct. The application and proposal were sent to US EPA Region IX on April 27, 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

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JUN 13 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-1326**  
**Project # S1120328**

Dear Mr. Tollstrup:

The Air Pollution Control Officer has issued an Authority to Construct (S-1326-382-2) with a Certificate of Conformity to Vintage Production California LLC in the heavy oil production stationary source within the central Kern County fields, CA. The project authorizes an increase in annual flow to an air-assisted process flare.

Enclosed is a copy of the Authority to Construct. The application and proposal were sent to US EPA Region IX on April 27, 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: RUE/cm

Enclosures

**Seyed Sadredin**  
Executive Director/Air Pollution Control Officer

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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 Vintage Production California LLC for heavy oil production stationary source located in the heavy oil production stationary source within the central Kern County fields, CA, California. The project authorizes an increase in annual flow to an air-assisted process flare.

The District's analysis of the legal and factual basis for this proposed action, project #S1120328, 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-1326-382-2

**ISSUANCE DATE:** 06/05/2012

**LEGAL OWNER OR OPERATOR:** VINTAGE PRODUCTION CALIFORNIA LLC

**MAILING ADDRESS:** 9600 MING AVE, SUITE 300  
BAKERSFIELD, CA 93311

**LOCATION:** HEAVY OIL CENTRAL STATIONARY SOURCE  
KERN COUNTY, CA

**SECTION:** SW15 **TOWNSHIP:** 29S **RANGE:** 29E

**EQUIPMENT DESCRIPTION:**

MODIFICATION OF 25 FOOT TALL MACTRONIC AIR-ASSISTED PROCESS FLARE WITH 6 INCH DIAMETER FLARE STACK AND AUTOMATIC RE-IGNITION: INCREASE THE ANNUAL GAS FLOW LIMIT FROM 9.2 MMSCF/YR TO 20 MMSCF/YR

### 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 "effective" stack shall vent vertically upward. The vertical exhaust flow shall not be impeded by a rain cap (flapper ok), roof overhang, or any other obstruction. The stack shall vent vertically upward. [District Rule 4102]
4. The flare is to be used only if disposal wells, a sales gas line, combustion sources creating useful work or permit exempt heater are not available. The flare shall have a destruction efficiency > 98% and be air assist and equipped with non automatic or electronic or ballistic ignition. [Public Resources Code 21000-21177: California Environmental Quality Act, District Rule 4102, and CH&SC 41700]
5. Flare shall be equipped with total waste gas volume flow meter. [District Rule 2201] Federally Enforceable Through Title V Permit

CONDITIONS CONTINUE ON NEXT PAGE

**YOU MUST NOTIFY THE DISTRICT COMPLIANCE DIVISION AT (661) 392-6500 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-1326-382-2 : Jun 5 2012 12:40PM - EDGHE:RLR : Joint Inspection NOT Required

6. This permit does not authorize the utilization of any IC engine, or other combustion device requiring a separate permit, for powering the air assist to the flare. [District Rule 2201] Federally Enforceable Through Title V Permit
7. Flare shall operate in a smokeless manner (no greater than 5% opacity) except for three minutes in any one hour. [District Rule 2201] Federally Enforceable Through Title V Permit
8. Total sulfur (as H<sub>2</sub>S) concentration of gas incinerated in flare shall not exceed 19 ppmv. [District Rule 2201 and District Rule 4801] Federally Enforceable Through Title V Permit
9. Maximum amount of gas combusted shall not exceed 150,000 scf/day. [District Rule 2201] Federally Enforceable Through Title V Permit
10. Maximum amount of gas combusted shall not exceed 20.0 MMscf/year. [District Rule 2201] Federally Enforceable Through Title V Permit
11. Emissions from the flare shall not exceed any of the following (based on total gas combusted): NO<sub>x</sub> (as NO<sub>2</sub>): 0.068 lb/MMBtu; PM<sub>10</sub>: 0.008 lb/MMBtu; CO: 0.37 lb/MMBtu; or VOC: 0.063 lb/MMBtu. [District Rule 2201] Federally Enforceable Through Title V Permit
12. Flare shall comply with all of the applicable requirements of Rule 4311. [District Rule 4311] Federally Enforceable Through Title V Permit
13. The flame shall be present at all times when combustible gases are vented through the flare. [District Rule 4311, 5.2] Federally Enforceable Through Title V Permit
14. The flare outlet shall be equipped with an automatic ignition system, or, shall operate with a pilot flame present at all times when combustible gases are vented through the flare, except during purge periods for automatic-ignition equipped flares. [District Rule 4311, 5.3] Federally Enforceable Through Title V Permit
15. Except for flares equipped with a flow-sensing ignition system, a heat sensing device such as a thermocouple, ultraviolet beam sensor, infrared sensor, or an equivalent device, capable of continuously detecting at least one pilot flame or the flare flame is present shall be installed and operated. [District Rule 4311, 5.4] Federally Enforceable Through Title V Permit
16. Flares using flow-sensing automatic ignition systems and not using a continuous flame pilot shall use purge gas for purging. [District Rule 4311, 5.5] Federally Enforceable Through Title V Permit
17. Open flares (air-assisted, steam-assisted, or non-assisted) in which the flare gas pressure is less than 5 psig shall be operated in such a manner that meets the provisions of 40 CFR 60.18. [District Rule 4311, 5.6] Federally Enforceable Through Title V Permit
18. Flaring is prohibited unless it is consistent with an approved flare minimization plan (FMP), pursuant to Rule 4311, Section 6.5, and all commitments listed in that plan have been met. This standard shall not apply if the APCO determines that the flaring is caused by an emergency as defined by Section 3.7 and is necessary to prevent an accident, hazard or release of vent gas directly to the atmosphere [District Rule 4311, 5.8] Federally Enforceable Through Title V Permit
19. Permittee shall measure sulfur content of gas incinerated in flare at least once every year. Such data shall be submitted to the District upon request. [District Rule 2201 and District Rule 4801] Federally Enforceable Through Title V Permit
20. Permittee shall determine sulfur content of gas flared using ASTM method D3246 or double GC for H<sub>2</sub>S and mercaptans. [District Rule 2201] Federally Enforceable Through Title V Permit
21. Hydrogen sulfide content of vent gas shall be determined using ASTM Method D 1945-96, ASTM Method UOP 539-97, ASTM Method D 4084-94, or ASTM Method D 4810-88. [District Rule 4311, 6.3.4] Federally Enforceable Through Title V Permit
22. The operator of a flare subject to flare minimization requirements pursuant to Section 5.8 shall monitor the vent gas flow to the flare with a flow measuring device or other parameters as specified in the Permit to Operate. The operator shall maintain records pursuant to Section 6.1.7. Flares that the operator can verify, based on permit conditions, are not capable of producing reportable flare events pursuant to Section 6.2.2 shall not be required to monitor vent gas flow to the flare. [District Rule 4311, 5.10] Federally Enforceable Through Title V Permit

23. Permittee shall keep accurate records of daily, quarterly, and annual quantity of gas combusted, and such records shall be retained for a period of five years and made readily available for District inspection upon request. [District NSR Rule] Federally Enforceable Through Title V Permit
24. Flare shall only be used with the net heating value of the gas being combusted being 300 Btu/scf or greater. [40 CFR 60.18 (c)(3) and District Rule 4311, 5.6] Federally Enforceable Through Title V Permit
25. The net heating value of the gas being combusted in a flare shall be determined annually, pursuant to 40 CFR 60.18(f)(3) using EPA Method 18, ASTM D1946, and ASTM D2382. [40 CFR 60.18 (f)(3) and District Rule 4311, 5.6] Federally Enforceable Through Title V Permit
26. The operator of a flare subject to flare minimization plans pursuant to Section 5.8 of Rule 4311 shall notify the APCO of an unplanned flaring event within 24 hours after the start of the next business day or within 24 hours of their discovery, whichever occurs first. The notification shall include the flare source identification, the start date and time, and the end date and time. [District Rule 4311, 6.2.1] Federally Enforceable Through Title V Permit
27. Permittee shall comply with all notification and recordkeeping requirements of 40 CFR 60.7 a (1)(3) and (b). [District Rule 4001] Federally Enforceable Through Title V Permit
28. Effective on and after July 1, 2012, and annually thereafter, the operator of a flare subject to flare minimization plans pursuant to Section 5.8 shall submit an annual report to the APCO that summarizes all Reportable Flaring Events as defined in Section 3.0 that occurred during the previous 12 month period. The report shall be submitted within 30 days following the end of the twelve month period of the previous year. The report shall include, but is not limited to all of the following: 1) The results of an investigation to determine the primary cause and contributing factors of the flaring event; 2) Any prevention measures considered or implemented to prevent recurrence together with a justification for rejecting any measures that were considered but not implemented; 3) If appropriate, an explanation of why the flaring was an emergency and necessary to prevent accident, hazard or release of vent gas to the atmosphere, or where, due to a regulatory mandate to vent a flare, it cannot be recovered, treated and used as a fuel gas at the facility; and 4) The date, time, and duration of the flaring event. [District Rule 4311, 6.2.2] Federally Enforceable Through Title V Permit
29. Effective on and after July 1, 2012, and annually thereafter, the operator of a flare subject to flare monitoring requirements pursuant to Rule 4311, Sections 5.10, 6.6, 6.7, 6.8, 6.9, and 6.10, as appropriate, shall submit an annual report to the APCO within 30 days following the end of each 12 month period. The report shall include the following: 1) The total volumetric flow of vent gas in standard cubic feet for each day, 2) Hydrogen sulfide content, methane content, and hydrocarbon content of vent gas composition pursuant to Section 6.6, 3) If vent gas composition is monitored by a continuous analyzer or analyzers pursuant to Section 5.11, average total hydrocarbon content by volume, average methane content by volume, and depending upon the analytical method used pursuant to Section 6.3.4, total reduced sulfur content by volume or hydrogen sulfide content by volume of vent gas flared for each hour of the month, 4) If the flow monitor used pursuant to Section 5.10 measures molecular weight, the average molecular weight for each hour of each month, 5) For any pilot and purge gas used, the type of gas used, the volumetric flow for each day and for each month, and the means used to determine flow, 6) Flare monitoring system downtime periods, including dates and times, 7) For each day and for each month provide calculated sulfur dioxide emissions, and 8) A flow verification report for each flare subject to this rule. The flow verification report shall include flow verification testing pursuant to Section 6.3.5. [District Rule 4311, 6.2.3] Federally Enforceable Through Title V Permit
30. Upon request, the operator of flares that are subject to Section 5.6 shall make available to the APCO the compliance determination records that demonstrate compliance with the provisions of 40 CFR 60.18, (c)(3) through (c)(5). [District Rule 4311, 6.4.1] Federally Enforceable Through Title V Permit
31. The following records shall be maintained, retained on-site for a minimum of five years, and made available to the APCO, ARB, and EPA upon request: 1) A copy of the compliance determination conducted pursuant to Section 6.4.1, 2) For flares used during an emergency, record of the duration of flare operation, amount of gas burned, and the nature of the emergency situation, 3) A copy of the approved flare minimization plan pursuant to Section 6.5, 4) On and after July 1, 2012, where applicable, a copy of annual reports submitted to the APCO pursuant to Section 6.2, and 5) Where applicable, monitoring data collected pursuant to Sections 5.10. [District Rule 4311, 6.1] Federally Enforceable Through Title V Permit

32. Prior to operating equipment under this Authority to Construct, permittee shall surrender emission reduction credits for the following quantities of emissions: NOx: 275 lb/quarter, PM10: 26 lb/qtr, and VOC: 255 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
33. ERC Certificate Numbers S-3697-2, S-3061-4, and S-3699-1 (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