



JUL 05 2012

Ms. John Ludwick  
Berry Petroleum Company  
5201 Truxtun Avenue, Suite 300  
Bakersfield, CA 93309

**Re: Final - Authority to Construct / COC (Significant Mod)  
District Facility # S-1246  
Project # S1111902**

Dear Ms. Ludwick:

The Air Pollution Control Officer has issued Authorities to Construct (S-1246-296-22, '-362-0, '-363-0, and '-396-0) with Certificates of Conformity to Berry Petroleum Company located within the heavy oil production stationary source in the western Kern County fields. The project authorizes installation of three 85 MMBtu/hr natural/ethane gas-fired steam generators and modification of a thermally enhanced oil recovery (TEOR) operation with an increase in well number from 1050 to 1200.

Enclosed are the Authorities to Construct. The application and proposal were sent to US EPA Region IX on April 23, 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



**JUL 05 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-1246  
Project # S1111902**

Dear Mr. Rios:

The Air Pollution Control Officer has issued Authorities to Construct (S-1246-296-22, '-362-0, '-363-0, and '-396-0) with Certificates of Conformity to Berry Petroleum Company located within the heavy oil production stationary source in the western Kern County fields. The project authorizes installation of three 85 MMBtu/hr natural/ethane gas-fired steam generators and modification of a thermally enhanced oil recovery (TEOR) operation with an increase in well number from 1050 to 1200.

Enclosed is a copy of the Authorities to Construct. The application and proposal were sent to US EPA Region IX on April 23, 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.

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**JUL 05 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-1246  
Project # S1111902**

Dear Mr. Tollstrup:

The Air Pollution Control Officer has issued Authorities to Construct (S-1246-296-22, '-362-0, '-363-0, and '-396-0) with Certificates of Conformity to Berry Petroleum Company located within the heavy oil production stationary source in the western Kern County fields. The project authorizes installation of three 85 MMBtu/hr natural/ethane gas-fired steam generators and modification of a thermally enhanced oil recovery (TEOR) operation with an increase in well number from 1050 to 1200.

Enclosed is a copy of the Authorities to Construct. The application and proposal were sent to US EPA Region IX on April 23, 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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Bakersfield, CA 93308-9725  
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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 Authorities to Construct to Berry Petroleum Company for heavy oil production stationary source located located within the heavy oil production stationary source in the western Kern County fields, California. The project authorizes installation of three 85 MMBtu/hr natural/ethane gas-fired steam generators and modification of a thermally enhanced oil recovery (TEOR) operation with an increase in well number from 1050 to 1200.

The District's analysis of the legal and factual basis for this proposed action, project #S1111902, 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-1246-296-22

ISSUANCE DATE: 05/24/2012

**LEGAL OWNER OR OPERATOR:** BERRY PETROLEUM COMPANY  
**MAILING ADDRESS:** ATTN: EH&S MANAGER  
5201 TRUXTUN AVENUE SUITE 100  
BAKERSFIELD, CA 93309-0422

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

**SECTION:** 02 **TOWNSHIP:** 31S **RANGE:** 22E

**EQUIPMENT DESCRIPTION:**

MODIFICATION OF THERMALLY ENHANCED OIL RECOVERY (TEOR) OPERATION WELL VENT VAPOR CONTROL SYSTEM SERVING 1050 WELLS INCLUDING GAS/LIQUID SEPARATORS, HEAT EXCHANGERS, COMPRESSORS, INLET SEPARATOR VESSELS, CONDENSATE PUMPS, SULFUR SCRUBBER, VAPOR PIPING FROM TANKS '337 AND '339 AND VAPOR PIPING TO STEAM GENERATORS S-1246-3, '-24, '-46, '-119, '-292, '-293, '-342, '-343, '-344, '-345, '-346, '-355, '-356, '-357, '-358, AND '-359 AND/OR DOGGR APPROVED GAS DISPOSAL WELLS (NMWSS): INCREASE NUMBER OF TEOR WELLS FROM 1050 TO 1200

## CONDITIONS

1. Authority to Construct (ATC) S-1246-296-21 shall be implemented concurrently, or prior to the modification and startup of the equipment authorized by this Authority to Construct. [District Rule 2201] Federally Enforceable Through Title V Permit
2. Within 90 days of startup of the equipment authorized by this Authority to Construct, Permit to Operate S-1246-211 shall be surrendered to the District and the associated equipment shall be removed or rendered inoperable. [District Rule 2201] Federally Enforceable Through Title V Permit
3. 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
4. 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

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-1246-296-22 : May 24 2012 11:35AM - EDGEHLR : Joint Inspection NOT Required

5. No air contaminant shall be released into the atmosphere which causes a public nuisance. [District Rule 4102]
6. TEOR operation is authorized to operate at the following locations: Sections 1, 2, 3, 11, and 12 T31S, R22E. [District Rule 2201] Federally Enforceable Through Title V Permit
7. Well vent vapor from this TEOR operation shall only be incinerated in approved steam generators or disposed of in DOGGR approved gas disposal wells. [District Rule 2201] Federally Enforceable Through Title V Permit
8. Well vent vapor from this TEOR operation shall not be incinerated in approved steam generators unless it is first scrubbed in a fuel gas sulfur scrubber and sulfur compounds are reduced by a minimum of 95%. [District Rule 2201] Federally Enforceable Through Title V Permit
9. Compliance with scrubber sulfur removal efficiency requirement shall be demonstrated by measurement of total sulfur compound concentrations at scrubber inlet and outlet. The measurement shall be conducted on grab samples taken at scrubber inlet and outlet using one of the following test methods: ASTM D3246 or double GC for H<sub>2</sub>S and mercaptans, or equivalent test method with prior District approval. Grab samples shall be taken and analyzed upon initial use of the scrubber and, thereafter, every six months. If scrubber is not in use at six-month anniversary date, then efficiency shall be demonstrated within two weeks of returning scrubber to service. For each month in which scrubber is operated and laboratory analysis of grab samples is not required, operator shall monitor and adjust scrubber performance as needed using gas-detection tubes calibrated for existing sulfur species or other equivalent District approved sulfur detection method(s) or device(s). [District Rule 2201] Federally Enforceable Through Title V Permit
10. Well vent vapor collection and control system includes piping from sulfur scrubbers to District approved incinerating devices. Well vent vapor collection and control system includes bypass piping around sulfur scrubbers to DOGGR-approved vapor disposal well(s). [District Rule 2201] Federally Enforceable Through Title V Permit
11. Fugitive VOC emissions rate for the TEOR operation, calculated using CAPCOA California Implementation Guidelines for Estimating Mass Emissions of Fugitive Hydrocarbon Leaks at Petroleum Facilities, Table IV-2c, Oil and Gas Production Screening Value Ranges Emission Factors (Feb 1999) and the total number of components in gas/light liquid service, shall not exceed 519.5 lb-VOC/day. [District Rule 2201] Federally Enforceable Through Title V Permit
12. During the time any steam-enhanced crude oil production well is undergoing service or repair while the well is not producing, it shall be exempt from the emission control requirements of District Rule 4401. [District Rule 4401, 4.1] Federally Enforceable Through Title V Permit
13. The inspection requirements of Section 5.4.1 through Section 5.4.7 of Rule 4401 shall not apply to components exclusively handling gas/vapor or liquid with a VOC content of ten percent by weight (10%) or less, as determined by the test methods in Section 6.3.4 of Rule 4401. [District Rule 4401, 4.7] Federally Enforceable Through Title V Permit
14. Gas and liquid leaks are as defined in Section 3.20 of Rule 4401. [District Rule 4401, 3.20] Federally Enforceable Through Title V Permit
15. An operator shall not operate a steam-enhanced crude oil production well unless the operator complies with either of the following requirements: The steam-enhanced crude oil production well vent is closed and the front line production equipment downstream of the wells that carry produced fluids (crude oil or mixture of crude oil and water) is connected to a VOC collection and control system as defined in Section 3.0 of Rule 4401, the well vent may be temporarily opened during periods of attended service or repair of the well provided such activity is done as expeditiously as possible with minimal spillage of material and VOC emissions to the atmosphere, or the steam-enhanced crude oil production well vent is open and the well vent is connected to a VOC collection and control system as defined in Section 3.0 of Rule 4401. [District Rule 4401, 5.1 and 5.1] Federally Enforceable Through Title V Permit
16. An operator shall be in violation of this rule if any District inspection demonstrates or if any operator inspection conducted pursuant to Section 5.4 of Rule 4401 demonstrates the existence of an open-ended line or a valve located at the end of the line that is not sealed with a blind flange, plug, cap, or a second closed valve that is not closed at all times, except during attended operations as defined by Section 5.2.2.1 of Rule 4401 requiring process fluid flow through the open-ended lines, a component with a major liquid leak, or a component with a gas leak greater than 50,000 ppmv. [District Rule 4401, 5.2] Federally Enforceable Through Title V Permit

CONDITIONS CONTINUE ON NEXT PAGE

17. An operator shall be in violation of this rule if any District inspection demonstrates or if any operator inspection conducted pursuant to Section 5.4 of Rule 4401 demonstrates the existence of any combination of components with minor liquid leaks, minor gas leaks, or a gas leaks greater than 10,000 ppmv up to 50,000 ppmv that totals more than number of leaks allowed by Table 2 of Rule 4401. [District Rule 4401, 5.2] Federally Enforceable Through Title V Permit
18. An operator shall not use any component with a leak as defined in Section 3.0 of Rule 4401, or that is found to be in violation of the provisions of Section 5.2.2 of Rule 4401. However, components that were found leaking may be used provided such leaking components have been identified with a tag for repair, are repaired, or awaiting re-inspection after being repaired within the applicable time frame specified in Section 5.5 of Rule 4401. [District Rule 4401, 5.3] Federally Enforceable Through Title V Permit
19. Each hatch shall be closed at all times except during sampling or adding of process material through the hatch, or during attended repair, replacement, or maintenance operations, provided such activities are done as expeditiously as possible with minimal spillage of material and VOC emissions to the atmosphere. [District Rule 4401, 5.3] Federally Enforceable Through Title V Permit
20. An operator shall comply with the requirements of Section 6.7 of Rule 4401 if there is any change in the description of major components or critical components. [District Rule 4401, 5.3] Federally Enforceable Through Title V Permit
21. Except for pipes and unsafe-to-monitor components, an operator shall inspect all other components pursuant to the requirements of Section 6.3.3 of Rule 4401 at least once every year. [District Rule 4401, 5.4] Federally Enforceable Through Title V Permit
22. An operator shall visually inspect all pipes at least once every year. Any visual inspection of pipes that indicates a leak that cannot be immediately repaired to meet the leak standards of this rule shall be inspected within 24 hours after detecting the leak. If a leak is found, the leak shall be repaired as soon as practicable but not later than the time frame specified in Table 3 of Rule 4401. [District Rule 4401, 5.4] Federally Enforceable Through Title V Permit
23. In addition to the inspections required by Section 5.4.1 of Rule 4401, an operator shall inspect for leaks all accessible operating pumps, compressors, and PRDs in service as follows: An operator shall audio-visually (by hearing and by sight) inspect for leaks all accessible operating pumps, compressors, and PRDs in service at least once each calendar week. Any audio-visual inspection of an accessible operating pump, compressor, and PRD performed by an operator that indicates a leak that cannot be immediately repaired to meet the leak standards of this rule shall be inspected not later than 24 hours after conducting the audio-visual inspection. If a leak is found, the leak shall be repaired as soon as practicable but not later than the time frame specified in Table 3 of Rule 4401. [District Rule 4401, 5.4] Federally Enforceable Through Title V Permit
24. In addition to the inspections required by Sections 5.4.1, 5.4.2 and 5.4.3 of Rule 4401, operator shall perform the following: initially inspect a PRD that releases to the atmosphere as soon as practicable but not later than 24 hours after the discovery of the release, re-inspect the PRD not earlier than 24 hours after the initial inspection but not later than 15 calendar days after the initial inspection, inspect all new, replaced, or repaired fittings, flanges, and threaded connections within 72 hours of placing the component in service. Except for PRDs subject to the requirements of Section 5.4.4.1 of Rule 4401, an operator shall inspect a component that has been repaired or replaced not later than 15 calendar days after the component was repaired or replaced. [District Rule 4401, 5.4] Federally Enforceable Through Title V Permit
25. An operator shall inspect all unsafe-to-monitor components during each turnaround. [District Rule 4401, 5.4] Federally Enforceable Through Title V Permit
26. District inspection in no way fulfills any of the mandatory inspection requirements that are placed upon operators and cannot be used or counted as an inspection required of an operator. [District Rule 4401, 5.4] Federally Enforceable Through Title V Permit
27. An operator shall affix a readily visible weatherproof tag to a leaking component upon detection of the leak and shall include the following information on the tag: date and time of leak detection, date and time of leak measurement, for a gaseous leak, the leak concentration in ppmv, for a liquid leak, whether it is a major liquid leak or a minor liquid leak, whether the component is an essential component, an unsafe-to monitor component, or a critical component. [District Rule 4401, 5.5] Federally Enforceable Through Title V Permit

CONDITIONS CONTINUE ON NEXT PAGE

28. An operator shall keep the tag affixed to the component until an operator has met all of the following conditions: repaired or replaced the leaking component, re-inspected the component using the test method in Section 6.3.3, and the component is found to be in compliance with the requirements of this rule. [District Rule 4401 5.5] Federally Enforceable Through Title V Permit
29. An operator shall minimize a component leak in order to stop or reduce leakage to the atmosphere immediately to the extent possible, but not later than one (1) hour after detection of the leak. [District Rule 4401, 5.5] Federally Enforceable Through Title V Permit
30. Except for leaking critical components or leaking essential components subject to the requirements of Section 5.5.7 of Rule 4401, if an operator has minimized a leak but the leak still exceeds the applicable leak limits as defined in Section 3.0 of Rule 4401, an operator shall comply with at least one of the following requirements as soon as practicable but not later than the time period specified in Table 3 of Rule 4401: Repair or replace the leaking component; or vent the leaking component to a VOC collection and control system as defined in Section 3.0 of Rule 4401, or remove the leaking component from operation. [District Rule 4401, 5.5] Federally Enforceable Through Title V Permit
31. The repair period in calendar days shall not exceed 14 days for minor gas leaks, 5 days for major gas leaks less than or equal to 50,000 ppmv, 2 days for gas leak greater than 50,000 ppmv, 3 days for minor liquid leaks, 2 days for major liquid leaks. [District Rule 4401, 5.5] Federally Enforceable Through Title V Permit
32. The leak rate measured after leak minimization has been performed shall be the leak rate used to determine the applicable repair period specified in Table 3 of Rule 4401. [District Rule 4401, 5.5] Federally Enforceable Through Title V Permit
33. The time of the initial leak detection shall be the start of the repair period specified in Table 3 of Rule 4401. [District Rule 4401, 5.5] Federally Enforceable Through Title V Permit
34. If the leaking component is an essential component or a critical component that cannot be immediately shut down for repairs, and if the leak has been minimized but the leak still exceeds the applicable leak standard of this rule, the operator shall repair or replace the essential component or critical component to eliminate the leak during the next process unit turnaround, but in no case later than one year from the date of the original leak detection, whichever comes earlier. [District Rule 4401, 5.5] Federally Enforceable Through Title V Permit
35. The operator of any steam-enhanced crude oil production well shall maintain records of the date and well identification where steam injection or well stimulation occurs. [District Rule 4401, 6.1] Federally Enforceable Through Title V Permit
36. An operator of any steam-enhanced crude oil production well shall keep source test records which demonstrate compliance with the control efficiency requirements of the VOC collection and control system as defined in Section 3.0 of Rule 4401. [District Rule 4401, 6.1] Federally Enforceable Through Title V Permit
37. Operator of any steam-enhanced crude oil production well shall keep an inspection log maintained pursuant to Section 6.4 of Rule 4401. [District Rule 4401, 6.1] Federally Enforceable Through Title V Permit
38. Records of each calibration of the portable hydrocarbon detection instrument utilized for inspecting components, including a copy of current calibration gas certification from the vendor of said calibration gas cylinder, the date of calibration, concentration of calibration gas, instrument reading of calibration gas before adjustment, instrument reading of calibration gas after adjustment, calibration gas expiration date, and calibration gas cylinder pressure at the time of calibration shall be maintained. [District Rule 4401, 6.1] Federally Enforceable Through Title V Permit
39. An operator shall maintain copies at the facility of the training records of the training program operated pursuant to Section 6.5 of Rule 4401. [District Rule 4401 6.1] Federally Enforceable Through Title V Permit
40. The results of gauge tank TVP testing conducted pursuant to Section 6.2.3 shall be submitted to the APCO within 60 days after the completion of the testing. [District Rule 4401, 6.1] Federally Enforceable Through Title V Permit
41. An operator that discovers that a PRD has released shall record the date that the release was discovered, and the identity and location of the PRD that released. An operator shall submit such information recorded during the calendar year to the APCO no later than 60 days after the end of the calendar year. [District Rule 4401, 6.1] Federally Enforceable Through Title V Permit

CONDITIONS CONTINUE ON NEXT PAGE



42. An operator shall source test annually all vapor collection and control systems used to control emissions from steam-enhanced crude oil production well vents to determine the control efficiency of the device(s) used for destruction or removal of VOC. Compliance testing shall be performed annually by source testers certified by ARB. Testing shall be performed during June, July, August, or September of each year if the system's control efficiency is dependent upon ambient air temperature. A process system as defined in Section 3.30 of Rule 4401 is not subject to compliance source testing requirements. [District Rule 4401, 6.2] Federally Enforceable Through Title V Permit
43. If approved by EPA, ARB, and the APCO, an operator need not comply with the annual testing requirement of Section 6.2.1 if all uncondensed VOC emissions collected by a vapor collection are controlled by an internal combustion engine subject to Rule 4702, a combustion device subject to Rule 4320, 4307 or 4308, a flare subject to Rule 4311. [District Rule 4401, 6.2] Federally Enforceable Through Title V Permit
44. An operator shall comply with the following requirements for each gauge tank, as defined in Section 3.0 of Rule 4401: Conduct periodic TVP testing of each gauge tank at least once every 24 months during summer (July - September), and whenever there is a change in the source or type of produced fluid in the gauge tank. The TVP testing shall be conducted at the actual storage temperature of the produced fluid in the gauge tank using the applicable TVP test method specified in Section 6.4 of Rule 4623 (Storage of Organic Liquids). The operator shall submit the TVP testing results to the APCO as specified in Section 6.1.9 of Rule 4401. [District Rule 4401, 6.2] Federally Enforceable Through Title V Permit
45. 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 Rule 4401, 6.3] Federally Enforceable Through Title V Permit
46. VOC content shall be analyzed by using the latest revision of ASTM Method E168, E169, or E260 as applicable. Analysis of halogenated exempt compounds shall be performed by using ARB Method 432. [District Rule 4401, 6.3] Federally Enforceable Through Title V Permit
47. Leak inspection, other than audio-visual, and measurements of gaseous leak concentrations shall be conducted according to EPA Method 21 using an appropriate portable hydrocarbon detection instrument calibrated with methane. The instrument shall be calibrated in accordance with the procedures specified in EPA Method 21 or the manufacturer's instruction, as appropriate, not more than 30 days prior to its use. The operator shall record the calibration date of the instrument. Where safety is a concern, such as measuring leaks from compressor seals or pump seals when the shaft is rotating, a person shall measure leaks by placing the instrument probe inlet at a distance of one (1) centimeter or less from the surface of the component interface. [District Rule 4401, 6.3] Federally Enforceable Through Title V Permit
48. The VOC content by weight percent (wt.%) shall be determined using American Society of Testing and Materials (ASTM) D1945 for gases and South Coast Air Quality Management District (SCAQMD) Method 304-91 or the latest revision of ASTM Method E168, E169 or E260 for liquids. [District Rule 4401, 6.3] Federally Enforceable Through Title V Permit

CONDITIONS CONTINUE ON NEXT PAGE

49. Operator shall maintain an inspection log in which an operator records, at a minimum, all of the following information for each inspection performed: The total number of components inspected, total number and percentage of leaking components found by component type, location, type, and name or description of each leaking component and description of any unit where the leaking component is found, date of leak detection and the method of leak detection. For gaseous leaks, the leak concentration in ppmv, and for liquid leaks record whether the leak is a major liquid leak or a minor liquid leak. the date of repair, replacement, or removal from operation of leaking components, identify and location of essential components and critical components found leaking that cannot be repaired until the next process unit turnaround or not later than one year after leak detection, whichever comes earlier, methods used to minimize the leak from essential components and critical components found leaking that cannot be repaired until the next process unit turnaround or not later than one year after leak detection, whichever comes earlier, the date of re-inspection and the leak concentration in ppmv after the component is repaired or is replaced, the inspector's name, business mailing address, and business telephone number, date and signature of the facility operator responsible for the inspection and repair program certifying the accuracy of the information recorded in the log. [District Rule 4401, 6.4] Federally Enforceable Through Title V Permit
50. Operator shall keep a copy of the APCO-approved Operator Management Plan at the facility. [District Rule 4401, 6.1 and 6.5] Federally Enforceable Through Title V Permit
51. Operator shall keep a list of all gauge tanks, as defined in Section 3.0 of Rule 4401. The list shall contain the size, identification number, the location of each gauge tank and specify whether the gauge tank is upstream of all front line production equipment. [District Rule 4401, 6.1 and 6.6] Federally Enforceable Through Title V Permit
52. By January 30 of each year, an operator shall submit to the APCO for approval, in writing, an annual report indicating any changes to an existing Operator Management Plan. [District Rule 4401, 6.7] Federally Enforceable Through Title V Permit
53. All records of required monitoring data and support information shall be maintained for a period of at least five years and shall be made readily available for District inspection upon request. [District Rule 4401, 6.1] Federally Enforceable Through Title V Permit
54. 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
55. Collected vapors shall be disposed of in District approved incineration devices, as listed on this permit, or in Department of Oil, Gas and Geothermal Resources (DOGGR) approved vapor disposal wells. Permittee shall make documentation of DOGGR approval for injection wells readily available for District inspection upon request. [District Rule 2201] Federally Enforceable Through Title V Permit
56. The operator shall maintain records of the fugitive component count and calculated VOC emissions. [District Rule 2201] Federally Enforceable Through Title V Permit
57. Permittee shall maintain a written record of inlet and outlet sulfur compound measurements and recharging dates and such records shall be made readily available for District inspection upon request. [District Rule 2201] Federally Enforceable Through Title V Permit
58. Permittee shall maintain with the permit a current listing of all steam enhanced wells with casing vents connected to the well vent collection and control system. [District Rules 1070 and 2520, 9.3.2] Federally Enforceable Through Title V Permit
59. All records shall be maintained and retained on-site for a minimum of five (5) years, and shall be made available for District inspection upon request. [District Rule 1070] Federally Enforceable Through Title V Permit
60. PTO S-1246-211-2 shall be canceled upon implementation of this ATC. [District Rule 2201] Federally Enforceable Through Title V Permit



## AUTHORITY TO CONSTRUCT

**PERMIT NO:** S-1246-362-0

**ISSUANCE DATE:** 05/24/2012

**LEGAL OWNER OR OPERATOR:** BERRY PETROLEUM COMPANY  
**MAILING ADDRESS:** ATTN: EH&S MANAGER  
5201 TRUXTUN AVENUE SUITE 100  
BAKERSFIELD, CA 93309-0422

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

**SECTION:** SE 2 **TOWNSHIP:** 31S **RANGE:** 22E

**EQUIPMENT DESCRIPTION:**

85 MMBTU/HR NATURAL/ETHANE-RICH NATURAL/TEOR/TVR GAS-FIRED STEAM GENERATOR (MNJ-433) WITH A NORTH AMERICAN MAGNA FLAME LE ULTRA LOW NOX BURNER, FLUE GAS RECIRCULATION (FGR) AND AN O2 CONTROLLER

### 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. Within 90 days of startup of the equipment authorized by this Authority to Construct, Permit to Operate S-1246-211 shall be surrendered to the District and the associated equipment shall be removed or rendered inoperable. [District Rule 2201] Federally Enforceable Through Title V Permit
4. 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

**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

  
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DAVID WARNER, Director of Permit Services  
S-1246-362-0: May 24 2012 11:36AM - EDGE:HLR : Joint Inspection NOT Required

5. 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
6. 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
7. 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
8. 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
9. 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 Rule 2201] Federally Enforceable Through Title V Permit
10. The maximum fuel sulfur content shall not exceed 1.0 gr S/100scf. [District Rule 2201] Federally Enforceable Through Title V Permit
11. The higher heating value of each non-certified fuel shall be certified by a third party fuel supplier or determined by ASTM D1826 or D1945 in conjunction with ASTM D 3588. [District Rules 2201 and 4320] Federally Enforceable Through Title V Permit
12. Except for periods of startup and shutdown, emissions from the natural gas-fired unit shall not exceed any of the following limits: 7 ppmvd NO<sub>x</sub> @ 3% O<sub>2</sub> or 0.008 lb-NO<sub>x</sub>/MMBtu, 0.005 lb-PM<sub>10</sub>/MMBtu, 35 ppmvd CO @ 3% O<sub>2</sub> or 0.026 lb-CO/MMBtu, or 0.0055 lb-VOC/MMBtu. [District Rules 2201, 4201, 4301, 4305, 4306, 4320, and 4801] Federally Enforceable Through Title V Permit
13. Maximum NO<sub>x</sub> emissions from the steam generator, including start-up and shutdown, shall not exceed 19.7 lb-NO<sub>x</sub>/day. [District Rule 2201] Federally Enforceable Through Title V Permit
14. Duration of start-up or shutdown shall not exceed two hours each per occurrence. During start-up or shutdown, the emissions control system shall be in operation, and emissions shall be minimized insofar as technologically possible. The operator shall maintain daily records of the duration of start-up and shutdown periods. [District Rules 4305, 4306, and 4320] Federally Enforceable Through Title V Permit
15. Start-up is defined as the period of time during which a unit is brought from a shutdown status to its operating temperature and pressure, including the time required by the unit's emission control system to reach full operation. Shutdown is defined as the period of time during which a unit is taken from an operational to a non-operational status by allowing it to cool down from its operating temperature to ambient temperature as the fuel supply to the unit is completely turned off. [District Rules 4305, 4306, and 4320] Federally Enforceable Through Title V Permit
16. Source testing to measure natural gas-combustion NO<sub>x</sub> and CO emissions from this unit shall be conducted within 60 days of initial startup and at least once every twelve (12) months thereafter. 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
17. 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
18. 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
19. 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

CONDITIONS CONTINUE ON NEXT PAGE

20. NO<sub>x</sub> 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 (O<sub>2</sub>) 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
23. Fuel sulfur content shall be determined using EPA Method 11 or Method 15. [District Rule 4320] Federally Enforceable Through Title V Permit
24. 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
25. 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
26. At least quarterly, the permittee shall monitor using the methods specified in this permit the higher heating value of each non-certified fuel supplied to this unit, or, alternatively, have the higher heating value certified by the fuel supplier. The records of higher heating value and quantity of fuel combusted shall be used to demonstrate that the rated heat input capacity of this unit, as averaged over a calendar quarter, is not exceeded. [District Rules 2201] Federally Enforceable Through Title V Permit
27. Permittee shall determine sulfur content of combusted gas weekly for eight consecutive weeks. After demonstrating compliance for eight consecutive weeks testing may be conducted on a quarterly basis. Weekly sulfur testing shall resume if quarterly testing does not indicate compliance. Weekly gas analysis shall be performed using Draeger tubes and quarterly analysis using ASTM method D3246 or double GC for H<sub>2</sub>S and mercaptans. First of the weekly gas analyses shall be done using laboratory analysis. [District Rules 1081 and 2201] Federally Enforceable Through Title V Permit
28. Compliance with fuel sulfur limit(s) can be demonstrated either by monitoring sulfur content at location(s) after all fuel sources are combined prior to incineration, or by monitoring the sulfur content and volume of each fuel source and performing mass balance calculations. Records of monitoring locations, detected sulfur concentrations, and mass balance calculations, if necessary, shall be maintained and kept onsite and made readily available for District inspection upon request. [District Rules 1081 and 2201] Federally Enforceable Through Title V Permit
29. The permittee shall monitor and record the stack concentration of NO<sub>x</sub>, CO, and O<sub>2</sub> 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
30. If either the NO<sub>x</sub> or CO concentrations corrected to 3% O<sub>2</sub>, 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

CONDITIONS CONTINUE ON NEXT PAGE

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 4305, 4306, and 4320] Federally Enforceable Through Title V Permit
32. The permittee shall maintain records of: (1) the date and time of NO<sub>x</sub>, CO, and O<sub>2</sub> measurements, (2) the O<sub>2</sub> concentration in percent and the measured NO<sub>x</sub> and CO concentrations corrected to 3% O<sub>2</sub>, (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
33. Permittee shall maintain monthly records of gas combusted in this unit. [District Rule 2201] Federally Enforceable Through Title V Permit
34. All records shall be maintained and retained on-site for a minimum of five (5) years, and shall be made available for District inspection upon request. [District Rules 1070, 4305, 4306, and 4320] Federally Enforceable Through Title V Permit
35. Prior to operating equipment under this Authority to Construct, permittee shall surrender emission reduction credits for the following quantities of emissions: NO<sub>x</sub>: 2234 lb/quarter; SO<sub>x</sub>: 796 lb/quarter; and PM<sub>10</sub>: 1396 lb/quarter. Offsets include the applicable offset ratio specified in Section 4.8 of Rule 2201 (as amended 4/21/11). PM<sub>10</sub> may be offset using SO<sub>x</sub> at an interpollutant offset ratio of 1.0 tons SO<sub>x</sub>/ton PM<sub>10</sub>. [District Rule 2201] Federally Enforceable Through Title V Permit
36. ERC Certificate Numbers C-1101-2, S-3651-2, S-3652-2, S-3655-2, S-3657-2, S-3658-2, S-3659-2, S-3661-2, S-3664-2, and S-3665-5 (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-1246-363-0

ISSUANCE DATE: 05/24/2012

**LEGAL OWNER OR OPERATOR:** BERRY PETROLEUM COMPANY  
**MAILING ADDRESS:** ATTN: EH&S MANAGER  
5201 TRUXTUN AVENUE SUITE 100  
BAKERSFIELD, CA 93309-0422

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

**SECTION:** SE 2 **TOWNSHIP:** 31S **RANGE:** 22E

**EQUIPMENT DESCRIPTION:**

85 MMBTU/HR NATURAL/ETHANE-RICH NATURAL/TEOR/TVR GAS-FIRED STEAM GENERATOR (MNJ-434) WITH A NORTH AMERICAN MAGNA FLAME LE ULTRA LOW NOX BURNER, FLUE GAS RECIRCULATION (FGR) AND AN O2 CONTROLLER


### 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. Within 90 days of startup of the equipment authorized by this Authority to Construct, Permit to Operate S-1246-211 shall be surrendered to the District and the associated equipment shall be removed or rendered inoperable. [District Rule 2201] Federally Enforceable Through Title V Permit
4. 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

**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

  
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DAVID WARNER, Director of Permit Services

S-1246-363-0 : May 24 2012 11:36AM - EDGEHLR :: Joint Inspection NOT Required

5. 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
6. 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
7. 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
8. 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
9. 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 Rule 2201] Federally Enforceable Through Title V Permit
10. The maximum fuel sulfur content shall not exceed 1.0 gr S/100scf. [District Rule 2201] Federally Enforceable Through Title V Permit
11. The higher heating value of each non-certified fuel shall be certified by a third party fuel supplier or determined by ASTM D1826 or D1945 in conjunction with ASTM D 3588. [District Rules 2201 and 4320] Federally Enforceable Through Title V Permit
12. Except for periods of startup and shutdown, emissions from the natural gas-fired unit shall not exceed any of the following limits: 7 ppmvd NO<sub>x</sub> @ 3% O<sub>2</sub> or 0.008 lb-NO<sub>x</sub>/MMBtu, 0.005 lb-PM<sub>10</sub>/MMBtu, 35 ppmvd CO @ 3% O<sub>2</sub> or 0.026 lb-CO/MMBtu, or 0.0055 lb-VOC/MMBtu. [District Rules 2201, 4201, 4301, 4305, 4306, 4320, and 4801] Federally Enforceable Through Title V Permit
13. Maximum NO<sub>x</sub> emissions from the steam generator, including start-up and shutdown, shall not exceed 19.7 lb-NO<sub>x</sub>/day. [District Rule 2201] Federally Enforceable Through Title V Permit
14. Duration of start-up or shutdown shall not exceed two hours each per occurrence. During start-up or shutdown, the emissions control system shall be in operation, and emissions shall be minimized insofar as technologically possible. The operator shall maintain daily records of the duration of start-up and shutdown periods. [District Rules 4305, 4306, and 4320] Federally Enforceable Through Title V Permit
15. Start-up is defined as the period of time during which a unit is brought from a shutdown status to its operating temperature and pressure, including the time required by the unit's emission control system to reach full operation. Shutdown is defined as the period of time during which a unit is taken from an operational to a non-operational status by allowing it to cool down from its operating temperature to ambient temperature as the fuel supply to the unit is completely turned off. [District Rules 4305, 4306, and 4320] Federally Enforceable Through Title V Permit
16. Source testing to measure natural gas-combustion NO<sub>x</sub> and CO emissions from this unit shall be conducted within 60 days of initial startup and at least once every twelve (12) months thereafter. 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
17. 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
18. 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
19. 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



20. NO<sub>x</sub> 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 (O<sub>2</sub>) 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
23. Fuel sulfur content shall be determined using EPA Method 11 or Method 15. [District Rule 4320] Federally Enforceable Through Title V Permit
24. 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
25. 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
26. At least quarterly, the permittee shall monitor using the methods specified in this permit the higher heating value of each non-certified fuel supplied to this unit, or, alternatively, have the higher heating value certified by the fuel supplier. The records of higher heating value and quantity of fuel combusted shall be used to demonstrate that the rated heat input capacity of this unit, as averaged over a calendar quarter, is not exceeded. [District Rules 2201] Federally Enforceable Through Title V Permit
27. Permittee shall determine sulfur content of combusted gas weekly for eight consecutive weeks. After demonstrating compliance for eight consecutive weeks testing may be conducted on a quarterly basis. Weekly sulfur testing shall resume if quarterly testing does not indicate compliance. Weekly gas analysis shall be performed using Draeger tubes and quarterly analysis using ASTM method D3246 or double GC for H<sub>2</sub>S and mercaptans. First of the weekly gas analyses shall be done using laboratory analysis. [District Rules 1081 and 2201] Federally Enforceable Through Title V Permit
28. Compliance with fuel sulfur limit(s) can be demonstrated either by monitoring sulfur content at location(s) after all fuel sources are combined prior to incineration, or by monitoring the sulfur content and volume of each fuel source and performing mass balance calculations. Records of monitoring locations, detected sulfur concentrations, and mass balance calculations, if necessary, shall be maintained and kept onsite and made readily available for District inspection upon request. [District Rules 1081 and 2201] Federally Enforceable Through Title V Permit
29. The permittee shall monitor and record the stack concentration of NO<sub>x</sub>, CO, and O<sub>2</sub> 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
30. If either the NO<sub>x</sub> or CO concentrations corrected to 3% O<sub>2</sub>, 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

CONDITIONS CONTINUE ON NEXT PAGE

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 4305, 4306, and 4320] Federally Enforceable Through Title V Permit
32. The permittee shall maintain records of: (1) the date and time of NO<sub>x</sub>, CO, and O<sub>2</sub> measurements, (2) the O<sub>2</sub> concentration in percent and the measured NO<sub>x</sub> and CO concentrations corrected to 3% O<sub>2</sub>, (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
33. Permittee shall maintain monthly records of gas combusted in this unit. [District Rule 2201] Federally Enforceable Through Title V Permit
34. All records shall be maintained and retained on-site for a minimum of five (5) years, and shall be made available for District inspection upon request. [District Rules 1070, 4305, 4306, and 4320] Federally Enforceable Through Title V Permit
35. Prior to operating equipment under this Authority to Construct, permittee shall surrender emission reduction credits for the following quantities of emissions: NO<sub>x</sub>: 2234 lb/quarter; SO<sub>x</sub>: 796 lb/quarter; and PM<sub>10</sub>: 1396 lb/quarter. Offsets include the applicable offset ratio specified in Section 4.8 of Rule 2201 (as amended 4/21/11). PM<sub>10</sub> may be offset using SO<sub>x</sub> at an interpollutant offset ratio of 1.0 tons SO<sub>x</sub>/ton PM<sub>10</sub>. [District Rule 2201] Federally Enforceable Through Title V Permit
36. ERC Certificate Numbers C-1101-2, S-3651-2, S-3652-2, S-3655-2, S-3657-2, S-3658-2, S-3659-2, S-3661-2, S-3664-2, and S-3665-5 (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-1246-369-0

ISSUANCE DATE: 05/24/2012

**LEGAL OWNER OR OPERATOR:** BERRY PETROLEUM COMPANY  
**MAILING ADDRESS:** ATTN: EH&S MANAGER  
5201 TRUXTUN AVENUE SUITE 100  
BAKERSFIELD, CA 93309-0422

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

**SECTION:** SE 2 **TOWNSHIP:** 31S **RANGE:** 22E

**EQUIPMENT DESCRIPTION:**

85 MMBTU/HR NATURAL/ETHANE-RICH NATURAL/TEOR/TVR GAS-FIRED STEAM GENERATOR (MNJ-442) WITH A NORTH AMERICAN MAGNA FLAME LE ULTRA LOW NOX BURNER, FLUE GAS RECIRCULATION (FGR) AND AN O2 CONTROLLER

### 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. Within 90 days of startup of the equipment authorized by this Authority to Construct, Permit to Operate S-1246-211 shall be surrendered to the District and the associated equipment shall be removed or rendered inoperable. [District Rule 2201] Federally Enforceable Through Title V Permit
4. 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

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Seyed Sadredin, Executive Director / APCO

  
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DAVID WARNER, Director of Permit Services

S-1246-369-0, May 24 2012 11:38AM - EDGEHLR : Joint Inspection NOT Required

5. 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
6. 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
7. 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
8. 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
9. 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 Rule 2201] Federally Enforceable Through Title V Permit
10. The maximum fuel sulfur content shall not exceed 1.0 gr S/100scf. [District Rule 2201] Federally Enforceable Through Title V Permit
11. The higher heating value of each non-certified fuel shall be certified by a third party fuel supplier or determined by ASTM D1826 or D1945 in conjunction with ASTM D 3588. [District Rules 2201 and 4320] Federally Enforceable Through Title V Permit
12. Except for periods of startup and shutdown, emissions from the natural gas-fired unit shall not exceed any of the following limits: 7 ppmvd NO<sub>x</sub> @ 3% O<sub>2</sub> or 0.008 lb-NO<sub>x</sub>/MMBtu, 0.005 lb-PM<sub>10</sub>/MMBtu, 35 ppmvd CO @ 3% O<sub>2</sub> or 0.026 lb-CO/MMBtu, or 0.0055 lb-VOC/MMBtu. [District Rules 2201, 4201, 4301, 4305, 4306, 4320, and 4801] Federally Enforceable Through Title V Permit
13. Maximum NO<sub>x</sub> emissions from the steam generator, including start-up and shutdown, shall not exceed 19.7 lb-NO<sub>x</sub>/day. [District Rule 2201] Federally Enforceable Through Title V Permit
14. Duration of start-up or shutdown shall not exceed two hours each per occurrence. During start-up or shutdown, the emissions control system shall be in operation, and emissions shall be minimized insofar as technologically possible. The operator shall maintain daily records of the duration of start-up and shutdown periods. [District Rules 4305, 4306, and 4320] Federally Enforceable Through Title V Permit
15. Start-up is defined as the period of time during which a unit is brought from a shutdown status to its operating temperature and pressure, including the time required by the unit's emission control system to reach full operation. Shutdown is defined as the period of time during which a unit is taken from an operational to a non-operational status by allowing it to cool down from its operating temperature to ambient temperature as the fuel supply to the unit is completely turned off. [District Rules 4305, 4306, and 4320] Federally Enforceable Through Title V Permit
16. Source testing to measure natural gas-combustion NO<sub>x</sub> and CO emissions from this unit shall be conducted within 60 days of initial startup and at least once every twelve (12) months thereafter. 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
17. 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
18. 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
19. 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

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20. NO<sub>x</sub> 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 (O<sub>2</sub>) 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
23. Fuel sulfur content shall be determined using EPA Method 11 or Method 15. [District Rule 4320] Federally Enforceable Through Title V Permit
24. 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
25. 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
26. At least quarterly, the permittee shall monitor using the methods specified in this permit the higher heating value of each non-certified fuel supplied to this unit, or, alternatively, have the higher heating value certified by the fuel supplier. The records of higher heating value and quantity of fuel combusted shall be used to demonstrate that the rated heat input capacity of this unit, as averaged over a calendar quarter, is not exceeded. [District Rules 2201] Federally Enforceable Through Title V Permit
27. Permittee shall determine sulfur content of combusted gas weekly for eight consecutive weeks. After demonstrating compliance for eight consecutive weeks testing may be conducted on a quarterly basis. Weekly sulfur testing shall resume if quarterly testing does not indicate compliance. Weekly gas analysis shall be performed using Draeger tubes and quarterly analysis using ASTM method D3246 or double GC for H<sub>2</sub>S and mercaptans. First of the weekly gas analyses shall be done using laboratory analysis. [District Rules 1081 and 2201] Federally Enforceable Through Title V Permit
28. Compliance with fuel sulfur limit(s) can be demonstrated either by monitoring sulfur content at location(s) after all fuel sources are combined prior to incineration, or by monitoring the sulfur content and volume of each fuel source and performing mass balance calculations. Records of monitoring locations, detected sulfur concentrations, and mass balance calculations, if necessary, shall be maintained and kept onsite and made readily available for District inspection upon request. [District Rules 1081 and 2201] Federally Enforceable Through Title V Permit
29. The permittee shall monitor and record the stack concentration of NO<sub>x</sub>, CO, and O<sub>2</sub> 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
30. If either the NO<sub>x</sub> or CO concentrations corrected to 3% O<sub>2</sub>, 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

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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 4305, 4306, and 4320] Federally Enforceable Through Title V Permit
32. The permittee shall maintain records of: (1) the date and time of NO<sub>x</sub>, CO, and O<sub>2</sub> measurements, (2) the O<sub>2</sub> concentration in percent and the measured NO<sub>x</sub> and CO concentrations corrected to 3% O<sub>2</sub>, (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
33. Permittee shall maintain monthly records of gas combusted in this unit. [District Rule 2201] Federally Enforceable Through Title V Permit
34. All records shall be maintained and retained on-site for a minimum of five (5) years, and shall be made available for District inspection upon request. [District Rules 1070, 4305, 4306, and 4320] Federally Enforceable Through Title V Permit
35. Prior to operating equipment under this Authority to Construct, permittee shall surrender emission reduction credits for the following quantities of emissions: NO<sub>x</sub>: 2234 lb/quarter; SO<sub>x</sub>: 796 lb/quarter; and PM<sub>10</sub>: 1396 lb/quarter. Offsets include the applicable offset ratio specified in Section 4.8 of Rule 2201 (as amended 4/21/11). PM<sub>10</sub> may be offset using SO<sub>x</sub> at an interpollutant offset ratio of 1.0 tons SO<sub>x</sub>/ton PM<sub>10</sub>. [District Rule 2201] Federally Enforceable Through Title V Permit
36. ERC Certificate Numbers C-1101-2, S-3651-2, S-3652-2, S-3655-2, S-3657-2, S-3658-2, S-3659-2, S-3661-2, S-3664-2, and S-3665-5 (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