



San Joaquin Valley

AIR POLLUTION CONTROL DISTRICT

JAN 16 2013

Paul Combs
Crimson Resource Management
5001 California Ave, Suite #206
Bakersfield, CA 93309

RE: Notice of Final Action - Authority to Construct
Project Number: S-1122546

Dear Mr. Combs:

The Air Pollution Control Officer has issued Authority to Construct permits to Crimson Resource Management for a flare replacement, increase the fuel flow of flare listed in permit S-2918-1, and lower the vapor pressure of crude oil stored in tank listed in permit S-2918-31, at Panama and Greeley lease, Light Oil Stationary Source, Kern County.

Enclosed are copies of the Authority to Construct permits and a copy of the notice of final action to be published approximately three days from the date of this letter.

Notice of the District's preliminary decision to issue this Authority to Construct was published on December 13, 2012. The District's analysis of the proposal was also sent to CARB and US EPA Region IX on December 10, 2012. No comments were received following the District's preliminary decision on this project.

Also enclosed is an invoice for the engineering evaluation fees pursuant to District Rule 3010. Please remit the amount owed, along with a copy of the attached invoice, within 60 days.

Thank you for your cooperation in this matter. If you have any questions, please contact Mr. Jim Swaney at (559) 230-5900.

Sincerely,

David Warner
Director of Permit Services

DW:st

Enclosures

Seyed Sadredin

Executive Director/Air Pollution Control Officer

Northern Region

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

Central Region (Main Office)

1990 E. Gettysburg Avenue
Fresno, CA 93726-0244
Tel: (559) 230-6000 FAX: (559) 230-6061
www.valleyair.org

Southern Region

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



San Joaquin Valley
AIR POLLUTION CONTROL DISTRICT

JAN 16 2013

Mike Tollstrup, Chief
Project Assessment Branch
Stationary Source Division
California Air Resources Board
PO Box 2815
Sacramento, CA 95812-2815

RE: Notice of Final Action - Authority to Construct
Project Number: S-1122546

Dear Mr. Tollstrup:

The Air Pollution Control Officer has issued Authority to Construct permits to Crimson Resource Management for a flare replacement, increase the fuel flow of flare listed in permit S-2918-1, and lower the vapor pressure of crude oil stored in tank listed in permit S-2918-31, at Panama and Greeley lease, Light Oil Stationary Source, Kern County.

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San Joaquin Valley

AIR POLLUTION CONTROL DISTRICT

JAN 16 2013

Gerardo C. Rios (AIR 3)
Chief, Permits Office
Air Division
U.S. E.P.A. - Region IX
75 Hawthorne Street
San Francisco, CA 94105

RE: Notice of Final Action - Authority to Construct
Project Number: S-1122546

Dear Mr. Rios:

The Air Pollution Control Officer has issued Authority to Construct permits to Crimson Resource Management for a flare replacement, increase the fuel flow of flare listed in permit S-2918-1, and lower the vapor pressure of crude oil stored in tank listed in permit S-2918-31, at Panama and Greeley lease, Light Oil Stationary Source, Kern County.

Enclosed are copies of the Authority to Construct permits and a copy of the notice of final action to be published approximately three days from the date of this letter.

Notice of the District's preliminary decision to issue this Authority to Construct was published on December 13, 2012. The District's analysis of the proposal was also sent to CARB and US EPA Region IX on December 10, 2012. No comments were received following the District's preliminary decision on this project.

Thank you for your cooperation in this matter. If you have any questions, please contact Mr. Jim Swaney at (559) 230-5900.

Sincerely,

David Warner
Director of Permit Services

DW:st

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Executive Director/Air Pollution Control Officer

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

Bakersfield Californian

**NOTICE OF FINAL ACTION
FOR THE ISSUANCE OF AUTHORITY
TO CONSTRUCT PERMITS**

NOTICE IS HEREBY GIVEN that the Air Pollution Control Officer has issued Authority to Construct permits to Crimson Resource Management for a flare replacement, increase the fuel flow of flare listed in permit S-2918-1, and lower the vapor pressure of crude oil stored in tank listed in permit S-2918-31, at Panama and Greeley lease, Light Oil Stationary Source, Kern County.

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

The application review for Project #S-1122546 is available for public inspection at http://www.valleyair.org/notices/public_notices_idx.htm and the **SAN JOAQUIN VALLEY UNIFIED AIR POLLUTION CONTROL DISTRICT, 1990 EAST GETTYSBURG AVENUE, FRESNO, CA 93726.**



AUTHORITY TO CONSTRUCT

PERMIT NO: S-2918-1-7

ISSUANCE DATE: 01/14/2013

LEGAL OWNER OR OPERATOR: CRIMSON RESOURCE MANAGEMENT

MAILING ADDRESS: ATTN: ENVIR H & S ENGINEER
5001 CALIFORNIA AVE, SUITE #206
BAKERSFIELD, CA 93309

LOCATION: LIGHT OIL CENTRAL STATIONARY SOURCE
KERN COUNTY, CA

SECTION: 7 **TOWNSHIP:** 29S **RANGE:** 26E

EQUIPMENT DESCRIPTION:

MODIFICATION OF 32.5 MMBTU/HR NATIONAL AIR OIL BURNER CO. MODEL NAFV FLARE WITH AUTOMATIC SPARK IGNITED PILOT AND COMBUSTION AIR BLOWER (GREELEY LEASE); INCREASE FLARE FUEL USE LIMIT FROM 2,045,000 SCF/YEAR TO 96,000,000 SCF/YEAR

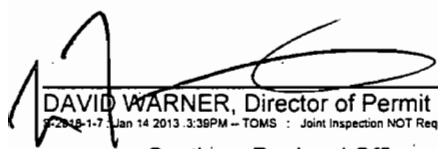
CONDITIONS

1. The permittee shall not emit more than one half of the major source threshold based on a rolling 12-month summary of actual emissions. [District Rule 2530]
2. The permittee shall maintain a record of the rolling 12-month summary of actual emissions from permitted operations. This record shall be kept on site and made available to the District upon request. [District Rule 2530]
3. The flare is approved to operate at the following locations; Sec. 14, T30S, R27E and Sec. 7, T29S, R26E. [District Rule 2201]
4. Flare shall be equipped with recording operational flow meter. [District Rule 2201]
5. Natural gas shall be used as pilot fuel. [District Rule 2201]
6. The exhaust stack shall vent vertically upward. The vertical exhaust flow shall not be impeded by a rain cap, roof overhang, or any other obstruction. [District Rule 4102]
7. Sulfur concentration of gas flared shall not exceed 5 ppmv. [District Rule 2201]
8. Air contaminant emissions shall not exceed any of the following limits: 0.068 lb-NOx/MMBtu; 0.0202 lb-PM10/MMBtu; 0.37 lb-CO/MMBtu; 0.063 lb-VOC/MMBtu. [District Rule 2201]

CONDITIONS CONTINUE ON NEXT PAGE

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

Seyed Sadredin, Executive Director / APCO



DAVID WARNER, Director of Permit Services

S-2918-1-7 Jan 14 2013 3:39PM - TOMS : Joint Inspection NOT Required

9. Non breakdown operation shall not exceed any of the following limits: 1,200.0 MMBtu/day or 115,200 MMBtu/year. [District Rule 2201]
10. The permittee shall notify the District Compliance Division of each location at which the operation is located in excess of 24 hours. Such notification shall be made no later than 48 hours after starting operation at the location. [District Rule 1070]
11. 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 the presence of at least one pilot flame or the flare flame, shall be installed and operated. [District Rule 4311]
12. A flame shall be present at all times when combustible gases are vented through the flare. [District Rule 4311]
13. 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]
14. Flare shall be equipped with 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. The flame detection device shall be kept operational at all times except during flare maintenance when the flare is isolated from gas flow. During essential planned power outages when the flare is operating, the pilot monitor is allowed to be non-functional if the flare flame is clearly visible to onsite operators. All pilot monitor downtime shall be reported annually pursuant to Rule 4311, Section 6.2.3.6. [District Rule 4311]
15. If the flare uses a flow-sensing automatic ignition system and does not use a continuous flame pilot, the flare shall use purge gas for purging. [District Rule 4311]
16. Open flares 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]
17. Flaring is prohibited unless it is consistent with an approved flare minimization plan (FMP), pursuant to Section 6.5, and all commitments listed in that plan have been met. This standard does 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]
18. The operator shall monitor and record the vent gas flow to the flare with a flow measuring device or other parameters as specified in the Permit to Operate. [District Rule 4311]
19. Flares shall be designed for and operated with no visible emissions, except for periods not to exceed a total of 5 minutes during any 2 consecutive hours. [40 CFR 60.18(c)(1)]
20. Demonstration of compliance with the visible emissions limit of this permit shall be conducted at least annually, using EPA Method 22. The observation period shall be 2 hours. [40 CFR 60.18(f)(1)]
21. The operator shall maintain all records of required monitoring data and support information for inspection at any time for a period of five years. [District Rule 1070]
22. The flare shall be operated according to the manufacturer's specifications, a copy of which shall be maintained on site. [District Rule 1070]
23. Actual flare emissions shall not exceed 20 tons VOC/year. Process information, including fuel usage data for the flare and process rates for operations controlled by the flare, shall be submitted to the District annually to demonstrate compliance with this requirement. [District Rule 2201]
24. Flares shall only be used with the net heating value of the gas being combusted being 300 Btu/scf or greater if the flare is air-assisted or steam-assisted. [40 CFR 60.18 (c)(3)]
25. The net heating value of the gas being combusted in a flare shall be calculated annually, pursuant to 40 CFR 60.18(f)(3) and using EPA Method 18, ASTM D1946, and ASTM D2382. [40 CFR 60.18 (f)(3-6)]
26. Air-assisted flares shall be operated with an exit velocity less than V_{max} , as determined by the equation specified in paragraph 40 CFR 60.18 (f)(6). [40 CFR 60.18 (c)(5)]

CONDITIONS CONTINUE ON NEXT PAGE

27. The actual exit velocity of a flare shall be determined by dividing the volumetric flowrate (in units of standard temperature and pressure), as determined by Reference Methods 2, 2A, 2C, or 2D as appropriate; by the unobstructed (free) cross sectional area of the flare tip. [40 CFR 60.18 (f)(4)]
28. Flares shall be operated with a flame present at all times, and kept in operation when emissions may be vented to them. The presence of a flare pilot flame shall be monitored using a thermocouple or any other equivalent device to detect the presence of a flame. [40 CFR 60.18 (c)(2), 60.18 (e), and 60.18 (f)(2)]
29. 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]
30. To show compliance with sulfur emission limits, the gas being flared shall be tested weekly for sulfur content. If compliance with the fuel sulfur content limit and sulfur emission limits has been demonstrated for 8 consecutive weeks for the flared gas, then the compliance testing frequency shall be semi-annually. If the semi-annual sulfur content test fails to show compliance, weekly testing shall resume. [District Rule 2201]
31. The sulfur content of the gas being flared shall be determined using ASTM D 1072, D 3031, D 4084, D 3246 or grab sample analysis by GC-FPD/TCD performed in the laboratory. [District Rule 2201]
32. Permittee shall maintain accurate records of quantity of non-emergency/non-pilot gas combusted in the flare and shall make such records available to District staff upon request. [District Rule 1070]
33. Permittee shall maintain records of the following when the flare is used during an emergency: duration of flare operation, amount of gas burned, and the nature of the emergency situation. [District Rule 4311]
34. Permittee shall maintain the following records: a copy of the approved flare minimization plan pursuant to Section 6.5; a copy of annual reports submitted to the APCO pursuant to Section 6.2. [District Rule 4311]
35. The operator of a flare subject to flare minimization plans pursuant to Section 5.8 of this rule 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]
36. 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: the results of an investigation to determine the primary cause and contributing factors of the flaring event; any prevention measures considered or implemented to prevent recurrence together with a justification for rejecting any measures that were considered but not implemented; 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 the date, time, and duration of the flaring event. [District Rule 4311]
37. The operator of a flare subject to flare monitoring requirements pursuant to Section 5.10 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: the total volumetric flow of vent gas in standard cubic feet for each day; if the flow monitor used pursuant to Section 5.10 measures molecular weight, the average molecular weight for each hour of each month; a flow verification report which shall include flow verification testing pursuant to Section 6.3.5. [District Rule 4311]
38. For purposes of the flow verification report required by Section 6.2.3.8, vent gas flow shall be determined using one or more of the following methods, or by any alternative method approved by the APCO, ARB, and EPA: EPA Methods 1 and 2; a verification method recommended by the manufacturer of the flow monitoring equipment installed pursuant to Section 5.10; tracer gas dilution or velocity; other flow monitors or process monitors that can provide comparison data on a vent stream that is being directed past the ultrasonic flow meter. [District Rule 4311]
39. Every five years after the initial FMP submittal, the operator shall submit an updated FMP for each flare to the APCO for approval. The current FMP shall remain in effect until the updated FMP is approved by the APCO. If the operator fails to submit an updated FMP as required by this section, the existing FMP shall no longer be considered an approved plan. [District Rule 4311]

CONDITIONS CONTINUE ON NEXT PAGE

40. An updated FMP shall be submitted by the operator pursuant to Section 6.5 addressing new or modified equipment, prior to installing the equipment. Updated FMP submittals are only required if: (1) The equipment change would require an authority to construct (ATC) and would impact the emissions from the flare, and (2) The ATC is deemed complete after June 18, 2009, and (3) The modification is not solely the removal or decommissioning of equipment that is listed in the FMP, and has no associated increase in flare emissions. [District Rule 4311]
41. All records shall be maintained and retained on-site for a period of at least 5 years and shall be made available for District inspection upon request. [District Rules 1070 and 4311]



AUTHORITY TO CONSTRUCT

PERMIT NO: S-2918-3-6

ISSUANCE DATE: 01/14/2013

LEGAL OWNER OR OPERATOR: CRIMSON RESOURCE MANAGEMENT
MAILING ADDRESS: ATTN: ENVIR H & S ENGINEER
5001 CALIFORNIA AVE, SUITE #206
BAKERSFIELD, CA 93309

LOCATION: LIGHT OIL CENTRAL STATIONARY SOURCE
KERN COUNTY, CA

SECTION: 14&15 **TOWNSHIP:** 30S **RANGE:** 27E

EQUIPMENT DESCRIPTION:

MODIFICATION OF 42,000 GALLON PETROLEUM STORAGE TANK (T-1001), SERVED BY VAPOR CONTROL SYSTEM SHARED BETWEEN S-2918-3, -4, -5, -15, & -16 (PANAMA LEASE); ALLOW COMBUSTION DEVICE LISTED IN PERMIT UNIT S-2918-62 TO BE AN AUTHORIZED VAPOR CONTROL SYSTEM INCINERATION DEVICE

CONDITIONS

1. The permittee shall not emit more than one half of the major source threshold based on a rolling 12-month summary of actual emissions. [District Rule 2530]
2. The permittee shall maintain a record of the rolling 12-month summary of actual emissions from permitted operations. This record shall be kept on site and made available to the District upon request. [District Rule 2530]
3. VOC vapors shall be incinerated in any of the following units: a permit exempt 1.5 MMBTU/hr heater treater or combustion device listed in permit S-2918-62. [District Rules 2201 and 4623]
4. True vapor pressure of liquids stored shall not exceed 6 psia. [District Rules 2201 and 4623]
5. Tank vapor control system shall be capable of collecting all VOC emissions and preventing their emissions to the atmosphere at an efficiency of at least 99% by weight. [District Rules 2201 and 4623 and Public Resources Code 21000-21177: California Environmental Quality Act]
6. The permittee shall keep accurate records of True vapor pressure, Reid vapor pressure, storage temperature, and types of liquids stored in each container. [District Rules 2201 and 4623]
7. VOC emissions (including fugitive emissions) from this permit unit shall not exceed 0.5 lb/day. [District Rule 2201]

CONDITIONS CONTINUE ON NEXT PAGE

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

Seyed Sadredin, Executive Director / APCO


DAVID WARNER, Director of Permit Services

S-2918-3-6: Jan 14 2013 3:39PM - TOMS : Joint Inspection NOT Required

8. A leak-free condition is defined as a condition without a gas leak. A gas leak is defined as a reading in excess of 10,000 ppmv, above background, as measured by a portable hydrocarbon detection instrument in accordance with the procedures specified in EPA Test Method 21. A reading in excess of 10,000 ppmv above background is a violation of this permit and Rule 4623 and shall be reported as a deviation. [District Rule 4623]
9. All piping, valves, and fittings shall be constructed and maintained in leak-free condition. [District Rule 4623]
10. Any tank gauging or sampling device on a tank vented to the vapor recovery system shall be equipped with a leak-free cover which shall be closed at all times except during gauging or sampling. [District Rule 4623]
11. Operator shall visually inspect tank shell, hatches, seals, seams, cable seals, valves, flanges, connectors, and any other piping components directly affixed to the tank and within five feet of the tank at least once per year for liquid leaks, and with a portable hydrocarbon detection instrument conducted in accordance with EPA Method 21 for gas leaks. Operator shall also visually or ultrasonically inspect as appropriate, the external shells and roofs of uninsulated tanks for structural integrity annually. [District Rule 4623, 5.7 (Table 3)]
12. Upon detection of a liquid leak, defined as a leak rate of greater than or equal to 30 drops per minute, operator shall repair the leak within 8 hours. For leaks with a liquid leak rate of between 3 and 30 drops per minute, the leaking component shall be repaired within 24 hours after detection. [District Rule 4623, 5.7 (Table 3)]
13. Upon detection of a gas leak, defined as a VOC concentration of greater than 10,000 ppmv measured in accordance with EPA Method 21, operator shall take one of the following actions: 1) eliminate the leak within 8 hours after detection; or 2) if the leak cannot be eliminated, then minimize the leak to the lowest possible level within 8 hours after detection by using best maintenance practices, and eliminate the leak within 48 hours after minimization. In no event shall the total time to minimize and eliminate a leak exceed 56 hours after detection. [District Rule 4623, 5.7 (Table 3)]
14. Components found to be leaking either liquids or gases shall be immediately affixed with a tag showing the component to be leaking. Operator shall maintain records of the liquid or gas leak detection readings, date/time the leak was discovered, and date/time the component was repaired to a leak-free condition. [District Rule 4623, 5.7 (Table 3)]
15. Leaking tank components affixed to the tank or within five feet of the tank that have been discovered by the operator and that have been immediately tagged and repaired within the specified deadlines, shall not constitute a violation of the District Rule 4623. However, leaking components discovered during inspections by District staff that were not previously identified and/or tagged by the operator, and/or any leaks that were not repaired within specified deadlines, shall constitute a violation of the District Rule 4623. [District Rule 4623, 5.7 (Table 3)]
16. If a component type for a given tank is found to leak during an annual inspection, then conduct quarterly inspections of that component type on the tank or tank system for four consecutive quarters. If a component type is found to have no leak after four consecutive quarterly inspections, then revert to annual inspections. [District Rule 4623, 5.7 (Table 3)]
17. Any component found to be leaking on two consecutive annual inspections is in violation of the District Rule 4623, even if it is under the voluntary inspection and maintenance program. [District Rule 4623, 5.7 (Table 3)]
18. Operator shall maintain an inspection log containing the following 1) Type of component leaking; 2) Date and time of leak detection, and method of detection; 3) Date and time of leak repair, and emission level of recheck after leak is repaired; 4) Method used to minimize the leak to lowest possible level within 8 hours after detection. [District Rule 4623]
19. Permittee shall conduct true vapor pressure (TVP) testing of the organic liquid stored in this tank at least once every 24 months during summer (July - September), and/or whenever there is a change in the source or type of organic liquid stored in this tank in order to maintain exemption from the rule. [District Rule 4623]
20. True vapor pressure shall be measured using Reid vapor pressure ASTM Method D323-82 modified by maintaining the hot water bath at storage temperature. Where storage temperature is above 100 degrees F true vapor pressure shall be determined by Reid vapor pressure at 100 degrees F and ARB approved calculations. [District Rule 4623]
21. True vapor pressure of crude oil with an API (American Petroleum Institute) gravity less than 30 deg, as determined by API 2547, may be determined by Headspace Gas Chromatography using the procedures from ARB Evaluation of a Method for Determining Vapor Pressures of Petroleum Mixtures by Headspace Gas Chromatography, October 1990. [District Rule 4623]

CONDITIONS CONTINUE ON NEXT PAGE

22. Control efficiency shall be determined by a comparison of controlled emissions to those emissions which would occur from a fixed or cone roof tank in the same product service without a vapor recovery system. Emissions shall be determined based on tank emission factors in EPA Publication AP-42, component counts for fugitive emissions sources, recognized emission factors for fugitive emission sources and the efficiency of any VOC destruction device. [District Rule 4623]
23. The efficiency of any VOC destruction device shall be measured by EPA Method 25, 25a, or 25b. [District Rule 4623]
24. The operator shall ensure that the vapor recovery system is functional and is operating as designed at all times. [District Rule 2201]
25. All records required to be maintained by this permit shall be maintained for a period of at least five years and shall be made readily available for District inspection upon request. [District Rules 1070 and 4623]
26. The operator shall determine the true vapor pressure of the petroleum liquid stored in the tank at least once per year in accordance with methods described in 40 CFR 60.113 and section 6.2 of District Rule 4623 (amended 12/17/92). Determinations shall be made annually during the summer and whenever there is a change in the source or type of petroleum entering the tank. [District Rule 4623]
27. As used in this permit, the term "source or type of petroleum" shall mean petroleum liquids with similar characteristics. The operator shall maintain records of the API gravity of petroleum liquids stored in this unit to determine which oils are from a common source. [District Rule 4623]



AUTHORITY TO CONSTRUCT

PERMIT NO: S-2918-31-4

ISSUANCE DATE: 01/14/2013

LEGAL OWNER OR OPERATOR: CRIMSON RESOURCE MANAGEMENT

MAILING ADDRESS: ATTN: ENVIR H & S ENGINEER
5001 CALIFORNIA AVE, SUITE #206
BAKERSFIELD, CA 93309

LOCATION: LIGHT OIL CENTRAL STATIONARY SOURCE
KERN COUNTY, CA

SECTION: NE10 **TOWNSHIP:** 30S **RANGE:** 26E

EQUIPMENT DESCRIPTION:

MODIFICATION OF 21,000 GALLON FIXED ROOF PETROLEUM STORAGE TANK WITH PRESSURE VACUUM RELIEF HATCH - #20016 (KERN COUNTY LEASE 61): LOWER RVP LIMIT FROM 9.5 PSIA TO 6.86 PSIA

CONDITIONS

1. The permittee shall not emit more than one half of the major source threshold based on a rolling 12-month summary of actual emissions. [District Rule 2530]
2. The permittee shall maintain a record of the rolling 12-month summary of actual emissions from permitted operations. This record shall be kept on site and made available to the District upon request. [District Rule 2530]
3. This tank shall be equipped with a pressure-vacuum (PV) relief valve set to within 10% of the maximum allowable working pressure of the tank, permanently labeled with the operating pressure settings, properly maintained in good operating order in accordance with the manufacturer's instructions, and shall remain in leak-free condition except when the operating pressure exceeds the valve's set pressure. [District Rules 2201 and 4623]
4. This tank shall only store, place, or hold organic liquid with a Reid vapor pressure (RVP) of less than 6.86 psia. [District Rules 2201 and 4623]
5. Crude Oil throughput shall be less than 150-barrels per day. [District Rules 2201 and 4623]
6. This tank shall be in a leak-free condition. A leak-free condition is defined as a condition without a gas leak. A gas leak is defined as a reading in excess of 10,000 ppmv, above background, as measured by a portable hydrocarbon detection instrument in accordance with the procedures specified in EPA Test Method 21. A reading in excess of 10,000 ppmv above background is a violation of this permit and Rule 4623. [District Rule 4623]

CONDITIONS CONTINUE ON NEXT PAGE

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Seyed Sadredin, Executive Director / APCO


DAVID WARNER, Director of Permit Services
S-2918-31-4 - Jan 14 2013 3:39PM - TOMS : Joint Inspection NOT Required

7. All piping, valves, and fittings shall be constructed and maintained in leak-free condition. [District Rule 4623]
8. A leak-free condition is defined as a condition without a gas leak. A gas leak is defined as a reading in excess of 10,000 ppmv, above background, as measured by a portable hydrocarbon detection instrument in accordance with the procedures specified in EPA Test Method 21. A reading in excess of 10,000 ppmv above background is a violation of this permit and Rule 4623 and shall be reported as a deviation. [District Rule 4623]
9. Permittee shall maintain monthly records of average daily throughput and shall submit such information to the APCO 30 days prior to annual permit renewal. [District Rules 2201 and 4623]
10. Operator shall keep a record of liquids stored in each container, storage temperature, and the Reid vapor pressure of such liquids. [District Rule 4623]
11. Permittee shall conduct true vapor pressure (TVP) testing of the organic liquid stored in this tank at least once every 24 months during summer (July - September), and/or whenever there is a change in the source or type of organic liquid stored in this tank. [District Rule 2201]
12. True vapor pressure shall be measured using Reid vapor pressure ASTM Method D323-82 modified by maintaining the hot water bath at storage temperature. Where storage temperature is above 100 degrees F true vapor pressure shall be determined by Reid vapor pressure at 100 degrees F and ARB approved calculations. [District Rule 2201]
13. True vapor pressure of crude oil with an API (American Petroleum Institute) gravity less than 30 deg, as determined by API 2547, may be determined by Headspace Gas Chromatography using the procedures from ARB Evaluation of a Method for Determining Vapor Pressures of Petroleum Mixtures by Headspace Gas Chromatography, October 1990. [District Rule 2201]
14. The API gravity of crude oil or petroleum distillate shall be determined by using ASTM Method D 287 e1 "Standard Test Method for API Gravity of Crude Petroleum and Petroleum Products (Hydrometer Method). Sampling for API gravity shall be performed in accordance with ASTM Method D 4057 "Standard Practices for Manual Sampling of Petroleum and Petroleum Products. [District Rule 2201]
15. Permittee shall maintain monthly records of average daily crude oil throughput and shall keep accurate records of each organic liquid stored in the tank, including its storage temperature, TVP, and API gravity. [District Rule 2201]
16. All records required to be maintained by this permit shall be maintained for a period of at least five years and shall be made readily available for District inspection upon request. [District Rule 1070 and 4623]



AUTHORITY TO CONSTRUCT

PERMIT NO: S-2918-62-0

ISSUANCE DATE: 01/14/2013

LEGAL OWNER OR OPERATOR: CRIMSON RESOURCE MANAGEMENT

MAILING ADDRESS: ATTN: ENVIR H & S ENGINEER
5001 CALIFORNIA AVE, SUITE #206
BAKERSFIELD, CA 93309

LOCATION: LIGHT OIL CENTRAL STATIONARY SOURCE
KERN COUNTY, CA

SECTION: 14 **TOWNSHIP:** 30S **RANGE:** 27E

EQUIPMENT DESCRIPTION:

12 MMBTU/HR BEKAERT MODEL CEB 350 PRODUCED GAS-FIRED AIR ASSISTED COMBUSTION DEVICE

CONDITIONS

1. The permittee shall not emit more than one half of the major source threshold based on a rolling 12-month summary of actual emissions. [District Rule 2530]
2. The permittee shall maintain a record of the rolling 12-month summary of actual emissions from permitted operations. This record shall be kept on site and made available to the District upon request. [District Rule 2530]
3. Within 90 days of startup of the equipment authorized by this Authority to Construct, Permit to Operate S-2918-2-3 shall be surrendered to the District and the associated equipment shall be removed or rendered inoperable. [District Rule 2201]
4. 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]
5. No air contaminant shall be released into the atmosphere which causes a public nuisance. [District Rule 4102]
6. Flares shall be designed for and operated with no visible emissions, except for periods not to exceed a total of 5 minutes during any 2 consecutive hours. [40 CFR 60.18(c)(1)]
7. Demonstration of compliance with the visible emissions limit of this permit shall be conducted at least annually, using EPA Method 22. The observation period shall be 2 hours. [40 CFR 60.18(f)(1)]
8. Particulate matter emissions shall not exceed 0.1 grains/dscf in concentration. [District Rule 4201]

CONDITIONS CONTINUE ON NEXT PAGE

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

Seyed Sadredin, Executive Director / APCO


DAVID WARNER, Director of Permit Services
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9. The exhaust stack shall vent vertically upward. The vertical exhaust flow shall not be impeded by a rain cap, roof overhang, or any other obstruction. [District Rule 4102]
10. Combustion device 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 combustion device, except during purge periods for automatic-ignition equipped combustion devices. [Public Resources Code 21000-21177: California Environmental Quality Act]
11. The combustion device heat input shall not exceed any of the following limits: 300 MMBtu/day or 109,500 MMBtu/year. [District Rule 2201]
12. The unit shall be equipped with an operational, non-resettable, totalizing mass or volumetric fuel flow meter or other District-approved alternative method to measure the amount of gas combusted in the unit. [District Rule 2201]
13. The sulfur content of the gas being incinerated by the combustion device shall not exceed 5 ppmv (as H₂S). [District Rule 2201]
14. Emissions from the unit shall not exceed any of the following limits: 0.018 lb-NO_x/MMBtu; 0.0202 lb-PM₁₀/MMBtu; 0.01 lb-CO/MMBtu; or 0.008 lb-VOC/MMBtu. [District Rule 2201]
15. Source testing to measure NO_x, CO and VOC emissions from the produced gas-fired flare shall be conducted within 60 days of initial start-up. [District Rule 2201]
16. To show compliance with sulfur emission limits, the gas being combusted shall be tested weekly for sulfur content. If compliance with the fuel sulfur content limit and sulfur emission limits has been demonstrated for 8 consecutive weeks for the combusted gas, then the compliance testing frequency shall be semi-annually. If the semi-annual sulfur content test fails to show compliance, weekly testing shall resume. [District Rule 2201]
17. The sulfur content of the gas being combusted shall be determined using ASTM D 1072, D 3031, D 4084, D 3246 or grab sample analysis by GC-FPD/TCD performed in the laboratory. [District Rule 2201]
18. For source test purposes, NO_x emissions from the unit shall be determined using EPA Method 19 on a heat input basis, or EPA Method 3A, EPA Method 7E, or ARB Method 100 on a ppmv basis. [District Rule 2201]
19. For source test purposes, CO emissions from the unit shall be determined using EPA Method 10 or 10B, ARB Methods 1 through 5 with 10, or ARB Method 100. [District Rule 2201]
20. For source test purposes, VOC emissions from the unit shall be determined using EPA Method 25 or 25a. [District Rule 2201]
21. Stack gas oxygen (O₂) shall be determined using EPA Method 3A, EPA Method 7E, or ARB Method 100. [District Rule 2201]
22. Operator shall determine produced gas fuel higher heating value annually by ASTM D 1826 or D 1945 in conjunction with ASTM D 3588 for gaseous fuels. [District Rule 2201]
23. 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]
24. 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 Rule 1081]
25. The results of each source test shall be submitted to the District within 60 days of completion of the source test. [District Rule 1081]
26. Permittee shall maintain daily and annual records of quantity of produced gas combusted in the unit and annual test results of higher heating value of produced gas. [District Rules 1070 and 2201]
27. All records shall be maintained and retained on-site for a period of at least 5 years and shall be made available for District inspection upon request. [District Rule 1070]