



FEB 28 2013

Mr. Phil Acosta
Vintage Production California, LLC
9600 Ming Avenue, Suite 300
Bakersfield, CA 93311

Re: Final - Authority to Construct / COC (Significant Mod)
District Facility # S-1737
Project # S-1123486

Dear Mr. Acosta:

The Air Pollution Control Officer has issued an Authority to Construct (S-1737-157-4) with a Certificate of Conformity to Vintage Production California, LLC located within Vintage's Light Oil Central Stationary Source in Kern County. This modification authorizes the daily increase of produced gas sent to the flare.

Enclosed is the Authority to Construct. The application and proposal were sent to US EPA Region IX on January 9, 2013. 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:KTR/st

Enclosures

Syed 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



San Joaquin Valley
AIR POLLUTION CONTROL DISTRICT



HEALTHY AIR LIVING™

FEB 28 2013

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-1737
Project # S-1123486**

Dear Mr. Rios:

The Air Pollution Control Officer has issued an Authority to Construct (S-1737-157-4) with a Certificate of Conformity to Vintage Production California, LLC located within Vintage's Light Oil Central Stationary Source in Kern County. This modification authorizes the daily increase of produced gas sent to the flare.

Enclosed is a copy of the Authority to Construct. The application and proposal were sent to US EPA Region IX on January 9, 2013. 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
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San Joaquin Valley
AIR POLLUTION CONTROL DISTRICT



HEALTHY AIR LIVING™

FEB 28 2013

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-1737
Project # S-1123486

Dear Mr. Tollstrup:

The Air Pollution Control Officer has issued an Authority to Construct (S-1737-157-4) with a Certificate of Conformity to Vintage Production California, LLC located within Vintage's Light Oil Central Stationary Source in Kern County. This modification authorizes the daily increase of produced gas sent to the flare.

Enclosed is a copy of the Authority to Construct. The application and proposal were sent to US EPA Region IX on January 9, 2013. 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:KTR/st

Enclosures

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Bakersfield Californian

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

NOTICE IS HEREBY GIVEN that the San Joaquin Valley Air Pollution Control District has made its final decision to issue an Authority to Construct to Vintage Production California, LLC for light oil and gas production located located within Vintage's Light Oil Central Stationary Source in Kern County, California. This modification authorizes the daily increase of produced gas sent to the flare.

The District's analysis of the legal and factual basis for this proposed action, project #S-1123486, 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, 34946 FLYOVER COURT, BAKERSFIELD, CA 93308-9725.



AUTHORITY TO CONSTRUCT

PERMIT NO: S-1737-157-4

ISSUANCE DATE: 02/21/2013

LEGAL OWNER OR OPERATOR: VINTAGE PRODUCTION CALIFORNIA LLC
MAILING ADDRESS: 9600 MING AVE, SUITE 300
BAKERSFIELD, CA 93311

LOCATION: LIGHT OIL CENTRAL
KERN COUNTY, CA

SECTION: NW03 **TOWNSHIP:** 28S **RANGE:** 25E

EQUIPMENT DESCRIPTION:

MODIFICATION OF 1,500 BBL FIXED ROOF WASH TANK (T-01) WITH VAPOR CONTROL SHARED WITH S-1737-158, '-159, '-160, '-161, AND OPTIONAL PORTABLE TANKS S-1737-181, '-182, '-183, AND/OR '-184 VENTING TO GAS SALES LINE, 41.7 MMBTU/HR COANDA TIP FLARE, FLARES S-1737-167 AND '-180 AND/OR 2.0 MMBTU/HR PRODUCTION HEATER (S-1737-160): INCREASE DAILY FLOWRATE LIMIT TO 4 MMSCF/DAY, DELETE CONDITION 19, CHANGE EMISSION FACTORS FROM LB/MMBTU TO LB/MMSCF

CONDITIONS

1. This Authority to Construct serves as a written certificate of conformity with the procedural requirements of 40 CFR 70.7 and 70.8 and with the compliance requirements of 40 CFR 70.6(c). [District Rule 2201] Federally Enforceable Through Title V Permit
2. Prior to operating with modifications authorized by this Authority to Construct, the facility shall submit an application to modify the Title V permit with an administrative amendment in accordance with District Rule 2520 Section 5.3.4. [District Rule 2520, 5.3.4] Federally Enforceable Through Title V Permit
3. The tank shall be equipped with a vapor recovery system consisting of a closed vent system that collects all VOCs from the storage tank, and a VOC control device. The vapor recovery system shall be APCO-approved and maintained in leak-free condition. The VOC control device shall be either of the following: a vapor return or condensation system that connects to a gas pipeline distribution system, or an approved VOC destruction device that reduces the inlet VOC emissions by at least 95% by weight as determined by the test method specified in Section 6.4.7. [District Rule 4623] Federally Enforceable Through Title V Permit
4. All piping, valves, and fittings shall be constructed and maintained in a leak-free condition. [District Rules 4623] Federally Enforceable Through Title V Permit

CONDITIONS CONTINUE ON NEXT PAGE

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

Seyed Sadredin, Executive Director / APCO



DAVID WARNER, Director of Permit Services

5. 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] Federally Enforceable Through Title V Permit
6. 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] Federally Enforceable Through Title V Permit
7. VOC fugitive emissions from the components in gas service on tank and tank vapor collection system) shall not exceed 0.5 lb/day. [District Rule 2201] Federally Enforceable Through Title V Permit
8. Permittee shall maintain accurate component count for tank according to CAPCOA's "California Implementation Guidelines for Estimating Mass Emissions of Fugitive Hydrocarbon Leaks at Petroleum Facilities," Table IV-2c (Feb 1999), Screening Value Range emission factors < 10,000 ppmv. Permittee shall update such records when new components are approved and installed. [District Rule 2201] Federally Enforceable Through Title V Permit
9. Except as otherwise provided in this permit, the operator shall ensure that the vapor recovery system is functional and is operating as designed at all times. [District Rule 2201] Federally Enforceable Through Title V Permit
10. All piping, fittings, and valves on this tank shall be inspected annually by the facility operator in accordance with EPA Method 21, with the instrument calibrated with methane, to ensure compliance with the leaking provisions of this permit. [District Rules 2201 and 4623] Federally Enforceable Through Title V Permit
11. 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 Rules 2201 and 4623] Federally Enforceable Through Title V Permit
12. 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 2201 and 4623] Federally Enforceable Through Title V Permit
13. 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 Rules 2201 and 4623] Federally Enforceable Through Title V Permit
14. 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 Rules 2201 and 4623] Federally Enforceable Through Title V Permit
15. Components found to be leaking either liquids or gases shall be immediately affixed with a tag showing the component to be leaking. Operator shall maintain records of the liquid or gas leak detection readings, date/time the leak was discovered, and date/time the component was repaired to a leak-free condition. [District Rules 2201 and 4623] Federally Enforceable Through Title V Permit
16. Leaking components that have been discovered by the operator that have been immediately tagged and repaired within the timeframes specified in District Rule 4623, Table 3 shall not constitute a violation of this rule. Leaking components as defined by District Rule 4623 discovered by District staff that were not previously identified and/or tagged by the operator, and/or any leaks that were not repaired within the timeframes specified in District Rule 4623, Table 3 shall constitute a violation of this rule. [District Rules 2201 and 4623] Federally Enforceable Through Title V Permit

CONDITIONS CONTINUE ON NEXT PAGE

17. If a component type for a given tank is found to leak during an annual inspection, operator shall conduct quarterly inspections of that component type on the tank or tank system for four consecutive quarters. If no components are found to leak after four consecutive quarters, the operator may revert to annual inspections. [District Rules 2201 and 4623] Federally Enforceable Through Title V Permit
18. Any component found to be leaking on two consecutive annual inspections is in violation of this rule, even if covered under the voluntary inspection and maintenance program. [District Rules 2201 and 4623] Federally Enforceable Through Title V Permit
19. Permittee shall notify the APCO in writing at least three (3) days prior to performing tank degassing and interior tank cleaning activities. Written notification shall include the following: 1) the Permit to Operate number and physical location of the tank being degassed, 2) the date and time that tank degassing and cleaning activities will begin, 3) the degassing method, as allowed in this permit, to be used, 4) the method to be used to clean the tank, including any solvents to be used, and 5) the method to be used to dispose of any removed sludge, including methods that will be used to control emissions from the receiving vessel and emissions during transport. [District Rules 4623 and 2080] Federally Enforceable Through Title V Permit
20. This permit authorizes tank cleaning that is not the result of breakdowns or poor maintenance as a routine maintenance activity. [District Rules 4623 and 2080] Federally Enforceable Through Title V Permit
21. This tank shall be degassed before commencing interior cleaning by 1) exhausting VOCs contained in the tank vapor space to an APCO-approved vapor recovery system until the organic vapor concentration is 5,000 ppmv or less, or is 10 percent or less of the lower explosion limit (LEL), whichever is less 2) by filling the tank with a suitable liquid until 90 percent or more of the maximum operating level of the tank is filled. Suitable liquids are organic liquids having a TVP of less than 0.5 psia, water, clean produced water, or produced water derived from crude oil having a TVP less than 0.5 psia, or 3) by displacing VOCs contained in the tank vapor space to an APCO-approved vapor recovery system by filling the tank with a suitable gas. Degassing shall continue until the operator has achieved a vapor displacement equivalent to at least 2.3 times the tank capacity. Suitable gases are air, nitrogen, carbon dioxide, or natural gas containing less than 10 percent VOC by weight. [District Rule 4623] Federally Enforceable Through Title V Permit
22. During tank degassing, the operator shall discharge or displace organic vapors contained in the tank vapor space to an APCO-approved vapor recovery system. [District Rule 4623] Federally Enforceable Through Title V Permit
23. To facilitate connection to an external APCO-approved recovery system, a suitable tank fitting, such as a manway, may be temporarily removed for a period of time not to exceed 1 hour. [District Rules 4623] Federally Enforceable Through Title V Permit
24. This tank shall be in compliance with the applicable requirements of District Rule 4623 at all times during draining, degassing, and refilling the tank with an organic liquid having a TVP of 0.5 psia or greater. [District Rule 4623] Federally Enforceable Through Title V Permit
25. While performing tank cleaning activities, operators may only use the following cleaning agents: diesel, solvents with an initial boiling point of greater than 302 degrees F, solvents with a vapor pressure of less than 0.5 psia, or solvents with 50 grams of VOC per liter or less. [District Rule 4623] Federally Enforceable Through Title V Permit
26. Steam cleaning shall only be allowed at locations where wastewater treatment facilities are limited, or during the months of December through March. [District Rule 4623] Federally Enforceable Through Title V Permit
27. The permittee shall keep accurate records of the dates of inspection and monitoring and the components inspected and monitored. [District Rule 2201] Federally Enforceable Through Title V Permit
28. Gas rate to the production heater shall not exceed 40,000 scf per day. [District Rule 2201] Federally Enforceable Through Title V Permit
29. The 41.7 MMBtu/hr flare shall be equipped with flared gas flow meter. [District Rules 2201 and 4311] Federally Enforceable Through Title V Permit
30. Gas rate to the 41.7 MMBtu/hr flare shall not exceed 4.0 MMscf per day nor 438.0 MMscf per year. [District Rule 2201] Federally Enforceable Through Title V Permit

CONDITIONS CONTINUE ON NEXT PAGE

31. Particulate matter emissions shall not exceed 0.1 grains/dscf in concentration. [District Rule 4201] Federally Enforceable Through Title V Permit
32. Emission rates for the 41.7 MMBtu/hr flare shall not exceed any of the following: PM10: 20 lb/MMscf, NOx (as NO2): 68 lb/MMscf, VOC: 33 lb/MMscf, or CO: 38 lb/MMscf. [District Rule 2201] Federally Enforceable Through Title V Permit
33. Sulfur content of gas burned in the 41.7 MMBtu/hr flare or the heater shall not exceed 0.3 gr/100 scf as sulfur. [District Rules 2201 and 4801] Federally Enforceable Through Title V Permit
34. The sulfur content of the gas being incinerated in the 41.7 MMBtu/hr flare shall be determined using ASTM Test Methods D3246, D4084, D4810, double GC for H2S and mercaptans, or other method approved by the APCO. [District Rule 2201] Federally Enforceable Through Title V Permit
35. Permittee shall measure sulfur content of gas incinerated at least once per year. [District Rules 2201 and 4801] Federally Enforceable Through Title V Permit
36. The 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 41.7 MMBtu/hr flare, except during purge periods for automatic-ignition equipped flares. [District Rule 4311, 5.3] Federally Enforceable Through Title V Permit
37. Except for flares equipped with a flow-sensing ignition system, a heat sensing device such as a thermocouple, ultraviolet beam sensor, infrared sensor, or an equivalent device, capable of continuously detecting at least one pilot flame or the flare flame is present, shall be installed and operated. [District Rule 4311, 5.4] Federally Enforceable Through Title V Permit
38. Flares that use flow-sensing automatic ignition systems and which do not use a continuous flame pilot shall use purge gas for purging. [District Rule 4311, 5.5] Federally Enforceable Through Title V Permit
39. Operator shall maintain an inspection log containing the following 1) Type of component leaking; 2) Date and time of leak detection, and method of detection; 3) Date and time of leak repair, and emission level of recheck after leak is repaired; 4) Method used to minimize the leak to lowest possible level within 8 hours after detection. [District Rules 2201 and 4623] Federally Enforceable Through Title V Permit
40. Permittee shall maintain accurate records of the daily amounts and annual vapor H2S concentration of the gas burned in the 41.7 MMBtu/hr flare and production heater. [District Rules 2201 and 4311] Federally Enforceable Through Title V Permit
41. The permittee shall maintain all records of required monitoring data and support information for inspection at any time for a period of five years. [District Rule 2201 and 4623] Federally Enforceable Through Title V Permit
42. Formerly S-1132-82-0
43. Formerly S-4241-25-0