San Joaquin Valley
AIR POLLUTION CONTROL DISTRICT

MAY 2 2 2013

Lance Erickson
Chevron U.S.A., Inc.
PO Box 1392
Bakersfield, CA 93302

RE: Notice of Final Action - Authority to Construct
Facility Number: C-315
Project Number: C-1123349

Dear Mr. Erickson:

The Air Pollution Control Officer has issued the Authority to Construct permits to Chevron U.S.A., Inc. for four (up to) 471 bbl transportable tanks, at Chevron's Kettleman North Dome Unit Oilfields in Kings County. Enclosed are 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 the Authority to Construct permits was published on April 18, 2013. The District's analysis of the proposal was also sent to CARB and US EPA Region IX on April 15, 20013. All comments received following the District's preliminary decision on this project were considered.

Comments received by the District during the public notice period resulted in two conditions being added to the final Authority to Construct permits. The conditions had been discussed in the application review but were mistakenly omitted from the draft Authority to Construct permits. One of the conditions was the standard public nuisance prohibition and the other specified the maximum allowed VOC fugitive emission rate. These changes were minor and did not trigger additional public notification requirements, nor did they have any impact upon the Best Available Control Technology determination or on the amount of offsets required for project approval.

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.

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

Thank you for your cooperation in this matter. If you have any questions, please contact Mr. Jim Swaney at (559) 230-6000.

Sincerely,

David Warner
Director of Permit Services

DW:bkc

Enclosures

cc: Mike Tollstrup, CARB (w/enclosure) via email
cc: Gerardo C. Rios, EPA (w/enclosure) via email

Hanford Sentinel
Newspaper notice for publication in Hanford Sentinel and for posting on valleyair.org

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NOTICE OF FINAL ACTION
FOR THE ISSUANCE OF
AUTHORITYTO CONSTRUCT PERMITS

NOTICE IS HEREBY GIVEN that the Air Pollution Control Officer has issued the Authority to Construct permits to Chevron U.S.A., Inc. for four (up to) 471 bbl transportable tanks, at Chevron's Kettleman North Dome Unit Oilfields in Kings County.

All comments received following the District's preliminary decision on this project were considered.

Comments received by the District during the public notice period resulted in two conditions being added to the final Authority to Construct permits. The conditions had been discussed in the application review but were mistakenly omitted from the draft Authority to Construct permits. One of the conditions was the standard public nuisance prohibition and the other specified the maximum allowed VOC fugitive emission rate. These changes were minor and did not trigger additional public notification requirements, nor did they have any impact upon the Best Available Control Technology determination or on the amount of offsets required for project approval.

The application review for Project #1123349 is available for public inspection at http://www.valleyair.org/notices/public_notices_idx.htm, the SAN JOAQUIN VALLEY UNIFIED AIR POLLUTION CONTROL DISTRICT, 1990 EAST GETTYSBURG AVENUE, FRESNO, CA 93726, and at any other District office. For additional information, please contact the District at (559) 230-6000.

San Joaquin Valley
AIR POLLUTION CONTROL DISTRICT

HEALTHY AIR LIVING™

AUTHORITY TO CONSTRUCT

PERMIT NO: C-315-37-0 **ISSUANCE DATE:** 05/21/2013

LEGAL OWNER OR OPERATOR: CHEVRON USA
MAILING ADDRESS: P O BOX 1392
BAKERSFIELD, CA 93302-1302

LOCATION: KETTLEMAN HILLS
KINGS COUNTY, CA

EQUIPMENT DESCRIPTION:
UP TO 471 BBL FIXED-ROOF CRUDE OIL/PRODUCED FLUIDS TANK WITH PV VALVE AUTHORIZED TO OPERATE AT VARIOUS UNSPECIFIED LOCATIONS WITHIN THE KETTLEMAN NORTH DOME UNIT OILFIELD (WHICH INCLUDES FACILITIES C-273, C-315, AND CONTIGUOUS AND ADJACENT PROPERTIES)

CONDITIONS

1. Prior to operating equipment under this Authority to Construct, permittee shall surrender VOC emission reduction credits for the following quantity of emissions: 1st quarter - 2,743 lb, 2nd quarter - 2,743 lb, 3rd quarter - 2,743 lb, and fourth quarter - 2,743 lb. These amounts include the applicable offset ratio specified in Rule 2201 Section 4.8 (as amended 4/21/11) for the ERC certificate specified below. [District Rule 2201]
2. ERC Certificate Number S-3601-1 (or a certificate split from this certificate) 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]
3. No air contaminant shall be released into the atmosphere which causes a public nuisance. [District Rule 4102]
4. This tank is authorized to operate at CUSA's Kettleman North Dome Unit stationary source(s) which includes facilities C-273 and C-315. [District Rule 2201]
5. The equipment shall not be located within 1,000 feet of the outer boundary of any K-12 school. [CH&SC 42301.6]
6. Storage tanks shall not operate within 0.75 miles of the nearest business or residence. [District Rule 4102]
7. 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 2201]

CONDITIONS CONTINUE ON NEXT PAGE

YOU MUST NOTIFY THE DISTRICT COMPLIANCE DIVISION AT (559) 230-5950 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
C-315-37-0 : May 21 2013 7:39AM – CLERICOB . Joint Inspection NOT Required

8. The provisions of this permit allow for this tank to be connected to a vapor control system where the VOC destruction device (e.g. safety flare or well test flare) is owned and operated by an entity other than Chevron USA and the VOC destruction device is not part of Chevron USA's stationary source. Chevron USA shall obtain an Authority to Construct permit prior to connecting this tank to a vapor control system where the VOC destruction device (e.g. an IC engine or heater, regardless of permit or permit-exempt status) is part of Chevron USA's stationary source. [District Rules 2201 and 4623]
9. 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 and properly maintained in good operating order in accordance with the manufacturer's instructions, and shall remain in a leak free condition except when the operating pressure exceeds the valve's set pressure. [District Rule]
10. This tank shall only store, place, or hold organic liquid with a Reid Vapor Pressure (RVP) of less than 6.0 psia under all storage conditions. [District Rules 2201 and 4623]
11. Tank liquid throughput shall not exceed 750 barrels per day nor 91,250 barrels per year. [District Rule 2201]
12. Fugitive emissions from tank liquid service components shall not exceed 3.2 lb-VOC/day based on EPA's "Protocol for Equipment Leak Emission Estimate," Table 2-4, Oil and Gas Production Operations Average Emissions Factors. [District Rule 2201]
13. Except as otherwise allowed on this permit, this tank shall be maintained in a leak-free condition. [District Rule 4623]
14. When the tank is connected to a vapor control system, any tank gauging or sampling device on a tank vented to the vapor control system shall be equipped with a leak-free cover which shall be closed at all times except during gauging or sampling. [District Rule 4623]
15. When the tank is connected to a vapor control system, all piping, valves, and fittings on the vapor control system shall be constructed and maintained in a leak-free condition [District Rule 4623]
16. At least once per year, operator shall visually inspect the 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, 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]
17. 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]
18. 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]
19. Components found to be leaking either liquids or gases shall be immediately affixed with a tag showing the component to be leaking. Operator shall maintain records of the liquid or gas leak detection readings, date/time the leak was discovered, and date/time the component was repaired to a leak-free condition. [District Rule 4623]
20. 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 Rule 4623]
21. 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 a component type is found to have no leak after four consecutive quarterly inspections, then revert to annual inspections. [District Rule 4623]

CONDITIONS CONTINUE ON NEXT PAGE

22. Any component found to be leaking on two consecutive annual inspections is in violation of Rule 4623, even if covered under the voluntary inspection and maintenance program. [District Rule 4623]

23. 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 1070]

24. This permit authorizes tank cleaning that is not the result of breakdowns or poor maintenance as a routine maintenance activity. [District Rule 4623]

25. This tank shall not be required to de-gas before commencing cleaning activities. All other applicable requirements shall be complied with before, during, and after tank cleaning activities. [District Rule 4623]

26. If tank is left on site for more than six months, permittee shall notify the APCO in writing at least three (3) days prior to performing tank interior tank cleaning activities. Written notification shall include the following: 1) the Permit to Operate number and physical location of the tank, 2) the date and time that tank cleaning activities will begin, 3) the method to be used to clean the tank, including any solvents to be used, and 4) 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 Rule 4623]

27. 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]

28. 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]

29. If tank is left on site for more than six months and contained organic liquid with a TVP of 1.5 psia or greater, during sludge removal, the operator shall control emissions from the sludge receiving vessel by operating an APCO-approved vapor control device that reduces emissions of organic vapors by at least 95%. [District Rule 4623]

30. If tank is left on site for more than six months and contained organic liquid with a TVP of 1.5 psia or greater, Permittee shall only transport removed sludge in closed, liquid leak-free containers. [District Rule 4623]

31. If tank is left on site for more than six months and contained organic liquid with a TVP of 1.5 psia or greater, Permittee shall store removed sludge, until final disposal, in vapor leak-free containers, or in tanks complying with the vapor control requirements of District Rule 4623. Sludge that is to be used to manufacture roadmix, as defined in District Rule 2020, is not required to be stored in this manner. Roadmix manufacturing operations exempt pursuant to District Rule 2020 shall maintain documentation of their compliance with Rule 2020, and shall readily make said documentation available for District inspection upon request. [District Rules 2020 and 4623]

32. Permittee shall maintain records of dates of start and completion dates/times of tank cleaning activities, and methods of cleaning used. [District Rule 4623]

33. Except when the tank is connected to a vapor control system, permittee shall conduct API gravity testing and Reid Vapor Pressure (RVP) or True Vapor Pressure (TVP) testing of the organic liquid stored in this tank whenever there is a change in the source or type of organic liquid stored in this tank. [District Rule 4623]

34. In lieu of testing the organic liquid from each uncontrolled fixed roof tank at this battery, a single RVP or TVP test of the organic liquid from a representative tank may be conducted provided the following conditions are met: (1) The selection of representative tank is submitted in writing to the APCO, and written approval is granted by the APCO prior to conducting the test; (2) The representative tank shall be the first line tank in the tank battery, i.e. the tank that is first receiving the produced fluids mixture of oil, water, and gases from the crude oil production wells; (3) The organic liquid in the representative tank is the same and came from the same source as the organic liquid stored by the other tanks being represented; (4) The TVP and storage temperature of the stored organic liquid of the representative tank to be tested are the same or higher than those of the tanks it is to represent. To ensure this condition is met, the TVP test should be conducted at the temperature of the tank with the highest storage temperature. [District Rule 4623]

CONDITIONS CONTINUE ON NEXT PAGE

35. 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 4623]

36. For crude oil with an API gravity of 26 degrees or less, the TVP shall be determined using the latest version of the Lawrence Berkeley National Laboratory "Test Method for Vapor Pressure of Reactive Organic Compounds in Heavy Crude Oil Using Gas Chromatograph", as approved by ARB and EPA. [District Rule 4623]

37. For crude oil with an API gravity of greater than 26 degrees, the RVP shall be determined using ASTM D 323 (Test Method for Vapor Pressure for Petroleum Products). Oil with an API gravity range of greater than 26 up to 30 may be determined using equivalent RVP/TVP test methods approved by APCO, ARB and US EPA. [District Rule 4623]

38. The operator shall submit a record of the RVP/TVP and API gravity testing required by this permit to the APCO within 45 days of the completion of the test. The record shall include the tank identification number, PTO number(s), type of organic liquid stored, RVP/TVP and API gravity of the organic liquid stored, test methods used, and a copy of the test results. [District Rule 4623]

39. Permittee shall maintain monthly records of average daily crude oil throughput, a record of the annual throughput, and a record of each organic liquid stored in the tank, including its API gravity, and RVP or TVP (and storage temperature). [District Rules 2201 and 4623]

40. Operator shall maintain a list of number and type of components in liquid service and resulting emission calculations (according to U.S. EPA Publication 453/R-95-017, Table 2-4, Oil and Gas Production Average Emission Factors) demonstrating compliance with the fugitive emissions limit set forth on this permit. [District Rule 2201]

41. Fugitive VOC limit listed does not include components handling produced fluids with an API gravity less than 30 degrees, or components in water/oil service (condensate) with a water content equal to or greater than 50% by weight, or components handling fluid streams with a VOC content of 10% or less by weight. [District Rule 2201]

42. 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 4623]

San Joaquin Valley
AIR POLLUTION CONTROL DISTRICT

HEALTHY AIR LIVING™

AUTHORITY TO CONSTRUCT

PERMIT NO: C-315-38-0 **ISSUANCE DATE:** 05/21/2013

LEGAL OWNER OR OPERATOR: CHEVRON USA
MAILING ADDRESS: P O BOX 1392
BAKERSFIELD, CA 93302-1302

LOCATION: KETTLEMAN HILLS
KINGS COUNTY, CA

EQUIPMENT DESCRIPTION:
UP TO 471 BBL FIXED-ROOF CRUDE OIL/PRODUCED FLUIDS TANK WITH PV VALVE AUTHORIZED TO OPERATE AT VARIOUS UNSPECIFIED LOCATIONS WITHIN THE KETTLEMAN NORTH DOME UNIT OILFIELD (WHICH INCLUDES FACILITIES C-273, C-315, AND CONTIGUOUS AND ADJACENT PROPERTIES)

CONDITIONS

1. Prior to operating equipment under this Authority to Construct, permittee shall surrender VOC emission reduction credits for the following quantity of emissions: 1st quarter - 2,743 lb, 2nd quarter - 2,743 lb, 3rd quarter - 2,743 lb, and fourth quarter - 2,743 lb. These amounts include the applicable offset ratio specified in Rule 2201 Section 4.8 (as amended 4/21/11) for the ERC certificate specified below. [District Rule 2201]
2. ERC Certificate Number S-3601-1 (or a certificate split from this certificate) 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]
3. No air contaminant shall be released into the atmosphere which causes a public nuisance. [District Rule 4102]
4. This tank is authorized to operate at CUSA's Kettleman North Dome Unit stationary source(s) which includes facilities C-273 and C-315. [District Rule 2201]
5. The equipment shall not be located within 1,000 feet of the outer boundary of any K-12 school. [CH&SC 42301.6]
6. Storage tanks shall not operate within 0.75 miles of the nearest business or residence. [District Rule 4102]
7. 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 2201]

CONDITIONS CONTINUE ON NEXT PAGE

YOU MUST NOTIFY THE DISTRICT COMPLIANCE DIVISION AT (559) 230-5950 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

for DAVID WARNER, Director of Permit Services
C-315-38-0 : May 21 2013 7:39AM – CLERICOB : Joint Inspection NOT Required

8. The provisions of this permit allow for this tank to be connected to a vapor control system where the VOC destruction device (e.g. safety flare or well test flare) is owned and operated by an entity other than Chevron USA and the VOC destruction device is not part of Chevron USA's stationary source. Chevron USA shall obtain an Authority to Construct permit prior to connecting this tank to a vapor control system where the VOC destruction device (e.g. an IC engine or heater, regardless of permit or permit-exempt status) is part of Chevron USA's stationary source. [District Rules 2201 and 4623]
9. 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 and properly maintained in good operating order in accordance with the manufacturer's instructions, and shall remain in a leak free condition except when the operating pressure exceeds the valve's set pressure. [District Rule]
10. This tank shall only store, place, or hold organic liquid with a Reid Vapor Pressure (RVP) of less than 6.0 psia under all storage conditions. [District Rules 2201 and 4623]
11. Tank liquid throughput shall not exceed 750 barrels per day nor 91,250 barrels per year. [District Rule 2201]
12. Fugitive emissions from tank liquid service components shall not exceed 3.2 lb-VOC/day based on EPA's "Protocol for Equipment Leak Emission Estimate," Table 2-4, Oil and Gas Production Operations Average Emissions Factors. [District Rule 2201]
13. Except as otherwise allowed on this permit, this tank shall be maintained in a leak-free condition. [District Rule 4623]
14. When the tank is connected to a vapor control system, any tank gauging or sampling device on a tank vented to the vapor control system shall be equipped with a leak-free cover which shall be closed at all times except during gauging or sampling. [District Rule 4623]
15. When the tank is connected to a vapor control system, all piping, valves, and fittings on the vapor control system shall be constructed and maintained in a leak-free condition [District Rule 4623]
16. At least once per year, operator shall visually inspect the 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, 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]
17. 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]
18. 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]
19. Components found to be leaking either liquids or gases shall be immediately affixed with a tag showing the component to be leaking. Operator shall maintain records of the liquid or gas leak detection readings, date/time the leak was discovered, and date/time the component was repaired to a leak-free condition. [District Rule 4623]
20. 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 Rule 4623]
21. 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 a component type is found to have no leak after four consecutive quarterly inspections, then revert to annual inspections. [District Rule 4623]

CONDITIONS CONTINUE ON NEXT PAGE

22. Any component found to be leaking on two consecutive annual inspections is in violation of Rule 4623, even if covered under the voluntary inspection and maintenance program. [District Rule 4623]

23. 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 1070]

24. This permit authorizes tank cleaning that is not the result of breakdowns or poor maintenance as a routine maintenance activity. [District Rule 4623]

25. This tank shall not be required to de-gas before commencing cleaning activities. All other applicable requirements shall be complied with before, during, and after tank cleaning activities. [District Rule 4623]

26. If tank is left on site for more than six months, permittee shall notify the APCO in writing at least three (3) days prior to performing tank interior tank cleaning activities. Written notification shall include the following: 1) the Permit to Operate number and physical location of the tank, 2) the date and time that tank cleaning activities will begin, 3) the method to be used to clean the tank, including any solvents to be used, and 4) 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 Rule 4623]

27. 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]

28. 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]

29. If tank is left on site for more than six months and contained organic liquid with a TVP of 1.5 psia or greater, during sludge removal, the operator shall control emissions from the sludge receiving vessel by operating an APCO-approved vapor control device that reduces emissions of organic vapors by at least 95%. [District Rule 4623]

30. If tank is left on site for more than six months and contained organic liquid with a TVP of 1.5 psia or greater, Permittee shall only transport removed sludge in closed, liquid leak-free containers. [District Rule 4623]

31. If tank is left on site for more than six months and contained organic liquid with a TVP of 1.5 psia or greater, Permittee shall store removed sludge, until final disposal, in vapor leak-free containers, or in tanks complying with the vapor control requirements of District Rule 4623. Sludge that is to be used to manufacture roadmix, as defined in District Rule 2020, is not required to be stored in this manner. Roadmix manufacturing operations exempt pursuant to District Rule 2020 shall maintain documentation of their compliance with Rule 2020, and shall readily make said documentation available for District inspection upon request. [District Rules 2020 and 4623]

32. Permittee shall maintain records of dates of start and completion dates/times of tank cleaning activities, and methods of cleaning used. [District Rule 4623]

33. Except when the tank is connected to a vapor control system, permittee shall conduct API gravity testing and Reid Vapor Pressure (RVP) or True Vapor Pressure (TVP) testing of the organic liquid stored in this tank whenever there is a change in the source or type of organic liquid stored in this tank. [District Rule 4623]

34. In lieu of testing the organic liquid from each uncontrolled fixed roof tank at this battery, a single RVP or TVP test of the organic liquid from a representative tank may be conducted provided the following conditions are met: (1) The selection of representative tank is submitted in writing to the APCO, and written approval is granted by the APCO prior to conducting the test; (2) The representative tank shall be the first line tank in the tank battery, i.e. the tank that is first receiving the produced fluids mixture of oil, water, and gases from the crude oil production wells; (3) The organic liquid in the representative tank is the same and came from the same source as the organic liquid stored by the other tanks being represented; (4) The TVP and storage temperature of the stored organic liquid of the representative tank to be tested are the same or higher than those of the tanks it is to represent. To ensure this condition is met, the TVP test should be conducted at the temperature of the tank with the highest storage temperature. [District Rule 4623]

CONDITIONS CONTINUE ON NEXT PAGE

35. 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 4623]

36. For crude oil with an API gravity of 26 degrees or less, the TVP shall be determined using the latest version of the Lawrence Berkeley National Laboratory "Test Method for Vapor Pressure of Reactive Organic Compounds in Heavy Crude Oil Using Gas Chromatograph", as approved by ARB and EPA. [District Rule 4623]

37. For crude oil with an API gravity of greater than 26 degrees, the RVP shall be determined using ASTM D 323 (Test Method for Vapor Pressure for Petroleum Products). Oil with an API gravity range of greater than 26 up to 30 may be determined using equivalent RVP/TVP test methods approved by APCO, ARB and US EPA. [District Rule 4623]

38. The operator shall submit a record of the RVP/TVP and API gravity testing required by this permit to the APCO within 45 days of the completion of the test. The record shall include the tank identification number, PTO number(s), type of organic liquid stored, RVP/TVP and API gravity of the organic liquid stored, test methods used, and a copy of the test results. [District Rule 4623]

39. Permittee shall maintain monthly records of average daily crude oil throughput, a record of the annual throughput, and a record of each organic liquid stored in the tank, including its API gravity, and RVP or TVP (and storage temperature). [District Rules 2201 and 4623]

40. Operator shall maintain a list of number and type of components in liquid service and resulting emission calculations (according to U.S. EPA Publication 453/R-95-017, Table 2-4, Oil and Gas Production Average Emission Factors) demonstrating compliance with the fugitive emissions limit set forth on this permit. [District Rule 2201]

41. Fugitive VOC limit listed does not include components handling produced fluids with an API gravity less than 30 degrees, or components in water/oil service (condensate) with a water content equal to or greater than 50% by weight, or components handling fluid streams with a VOC content of 10% or less by weight. [District Rule 2201]

42. 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 4623]

San Joaquin Valley
AIR POLLUTION CONTROL DISTRICT

HEALTHY AIR LIVING™

AUTHORITY TO CONSTRUCT

PERMIT NO: C-315-39-0 **ISSUANCE DATE:** 05/21/2013

LEGAL OWNER OR OPERATOR: CHEVRON USA
MAILING ADDRESS: P O BOX 1392
BAKERSFIELD, CA 93302-1302

LOCATION: KETTLEMAN HILLS
KINGS COUNTY, CA

EQUIPMENT DESCRIPTION:
UP TO 471 BBL FIXED-ROOF CRUDE OIL/PRODUCED FLUIDS TANK WITH PV VALVE AUTHORIZED TO OPERATE AT VARIOUS UNSPECIFIED LOCATIONS WITHIN THE KETTLEMAN NORTH DOME UNIT OILFIELD (WHICH INCLUDES FACILITIES C-273, C-315, AND CONTIGUOUS AND ADJACENT PROPERTIES)

CONDITIONS

1. Prior to operating equipment under this Authority to Construct, permittee shall surrender VOC emission reduction credits for the following quantity of emissions: 1st quarter - 2,743 lb, 2nd quarter - 2,743 lb, 3rd quarter - 2,743 lb, and fourth quarter - 2,743 lb. These amounts include the applicable offset ratio specified in Rule 2201 Section 4.8 (as amended 4/21/11) for the ERC certificate specified below. [District Rule 2201]
2. ERC Certificate Number S-3601-1 (or a certificate split from this certificate) 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]
3. No air contaminant shall be released into the atmosphere which causes a public nuisance. [District Rule 4102]
4. This tank is authorized to operate at CUSA's Kettleman North Dome Unit stationary source(s) which includes facilities C-273 and C-315. [District Rule 2201]
5. The equipment shall not be located within 1,000 feet of the outer boundary of any K-12 school. [CH&SC 42301.6]
6. Storage tanks shall not operate within 0.75 miles of the nearest business or residence. [District Rule 4102]
7. 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 2201]

CONDITIONS CONTINUE ON NEXT PAGE

YOU MUST NOTIFY THE DISTRICT COMPLIANCE DIVISION AT (559) 230-5950 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
C-315-39-0 : May 21 2013 7:39AM – CLERICOB : Joint Inspection NOT Required

8. The provisions of this permit allow for this tank to be connected to a vapor control system where the VOC destruction device (e.g. safety flare or well test flare) is owned and operated by an entity other than Chevron USA and the VOC destruction device is not part of Chevron USA's stationary source. Chevron USA shall obtain an Authority to Construct permit prior to connecting this tank to a vapor control system where the VOC destruction device (e.g. an IC engine or heater, regardless of permit or permit-exempt status) is part of Chevron USA's stationary source. [District Rules 2201 and 4623]
9. 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 and properly maintained in good operating order in accordance with the manufacturer's instructions, and shall remain in a leak free condition except when the operating pressure exceeds the valve's set pressure. [District Rule]
10. This tank shall only store, place, or hold organic liquid with a Reid Vapor Pressure (RVP) of less than 6.0 psia under all storage conditions. [District Rules 2201 and 4623]
11. Tank liquid throughput shall not exceed 750 barrels per day nor 91,250 barrels per year. [District Rule 2201]
12. Fugitive emissions from tank liquid service components shall not exceed 3.2 lb-VOC/day based on EPA's "Protocol for Equipment Leak Emission Estimate," Table 2-4, Oil and Gas Production Operations Average Emissions Factors. [District Rule 2201]
13. Except as otherwise allowed on this permit, this tank shall be maintained in a leak-free condition. [District Rule 4623]
14. When the tank is connected to a vapor control system, any tank gauging or sampling device on a tank vented to the vapor control system shall be equipped with a leak-free cover which shall be closed at all times except during gauging or sampling. [District Rule 4623]
15. When the tank is connected to a vapor control system, all piping, valves, and fittings on the vapor control system shall be constructed and maintained in a leak-free condition [District Rule 4623]
16. At least once per year, operator shall visually inspect the 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, 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]
17. 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]
18. 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]
19. Components found to be leaking either liquids or gases shall be immediately affixed with a tag showing the component to be leaking. Operator shall maintain records of the liquid or gas leak detection readings, date/time the leak was discovered, and date/time the component was repaired to a leak-free condition. [District Rule 4623]
20. 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 Rule 4623]
21. 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 a component type is found to have no leak after four consecutive quarterly inspections, then revert to annual inspections. [District Rule 4623]

CONDITIONS CONTINUE ON NEXT PAGE

22. Any component found to be leaking on two consecutive annual inspections is in violation of Rule 4623, even if covered under the voluntary inspection and maintenance program. [District Rule 4623]

23. 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 1070]

24. This permit authorizes tank cleaning that is not the result of breakdowns or poor maintenance as a routine maintenance activity. [District Rule 4623]

25. This tank shall not be required to de-gas before commencing cleaning activities. All other applicable requirements shall be complied with before, during, and after tank cleaning activities. [District Rule 4623]

26. If tank is left on site for more than six months, permittee shall notify the APCO in writing at least three (3) days prior to performing tank interior tank cleaning activities. Written notification shall include the following: 1) the Permit to Operate number and physical location of the tank, 2) the date and time that tank cleaning activities will begin, 3) the method to be used to clean the tank, including any solvents to be used, and 4) 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 Rule 4623]

27. 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]

28. 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]

29. If tank is left on site for more than six months and contained organic liquid with a TVP of 1.5 psia or greater, during sludge removal, the operator shall control emissions from the sludge receiving vessel by operating an APCO-approved vapor control device that reduces emissions of organic vapors by at least 95%. [District Rule 4623]

30. If tank is left on site for more than six months and contained organic liquid with a TVP of 1.5 psia or greater, Permittee shall only transport removed sludge in closed, liquid leak-free containers. [District Rule 4623]

31. If tank is left on site for more than six months and contained organic liquid with a TVP of 1.5 psia or greater, Permittee shall store removed sludge, until final disposal, in vapor leak-free containers, or in tanks complying with the vapor control requirements of District Rule 4623. Sludge that is to be used to manufacture roadmix, as defined in District Rule 2020, is not required to be stored in this manner. Roadmix manufacturing operations exempt pursuant to District Rule 2020 shall maintain documentation of their compliance with Rule 2020, and shall readily make said documentation available for District inspection upon request. [District Rules 2020 and 4623]

32. Permittee shall maintain records of dates of start and completion dates/times of tank cleaning activities, and methods of cleaning used. [District Rule 4623]

33. Except when the tank is connected to a vapor control system, permittee shall conduct API gravity testing and Reid Vapor Pressure (RVP) or True Vapor Pressure (TVP) testing of the organic liquid stored in this tank whenever there is a change in the source or type of organic liquid stored in this tank. [District Rule 4623]

34. In lieu of testing the organic liquid from each uncontrolled fixed roof tank at this battery, a single RVP or TVP test of the organic liquid from a representative tank may be conducted provided the following conditions are met: (1) The selection of representative tank is submitted in writing to the APCO, and written approval is granted by the APCO prior to conducting the test; (2) The representative tank shall be the first line tank in the tank battery, i.e. the tank that is first receiving the produced fluids mixture of oil, water, and gases from the crude oil production wells; (3) The organic liquid in the representative tank is the same and came from the same source as the organic liquid stored by the other tanks being represented; (4) The TVP and storage temperature of the stored organic liquid of the representative tank to be tested are the same or higher than those of the tanks it is to represent. To ensure this condition is met, the TVP test should be conducted at the temperature of the tank with the highest storage temperature. [District Rule 4623]

CONDITIONS CONTINUE ON NEXT PAGE

35. 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 4623]

36. For crude oil with an API gravity of 26 degrees or less, the TVP shall be determined using the latest version of the Lawrence Berkeley National Laboratory "Test Method for Vapor Pressure of Reactive Organic Compounds in Heavy Crude Oil Using Gas Chromatograph", as approved by ARB and EPA. [District Rule 4623]

37. For crude oil with an API gravity of greater than 26 degrees, the RVP shall be determined using ASTM D 323 (Test Method for Vapor Pressure for Petroleum Products). Oil with an API gravity range of greater than 26 up to 30 may be determined using equivalent RVP/TVP test methods approved by APCO, ARB and US EPA. [District Rule 4623]

38. The operator shall submit a record of the RVP/TVP and API gravity testing required by this permit to the APCO within 45 days of the completion of the test. The record shall include the tank identification number, PTO number(s), type of organic liquid stored, RVP/TVP and API gravity of the organic liquid stored, test methods used, and a copy of the test results. [District Rule 4623]

39. Permittee shall maintain monthly records of average daily crude oil throughput, a record of the annual throughput, and a record of each organic liquid stored in the tank, including its API gravity, and RVP or TVP (and storage temperature). [District Rules 2201 and 4623]

40. Operator shall maintain a list of number and type of components in liquid service and resulting emission calculations (according to U.S. EPA Publication 453/R-95-017, Table 2-4, Oil and Gas Production Average Emission Factors) demonstrating compliance with the fugitive emissions limit set forth on this permit. [District Rule 2201]

41. Fugitive VOC limit listed does not include components handling produced fluids with an API gravity less than 30 degrees, or components in water/oil service (condensate) with a water content equal to or greater than 50% by weight, or components handling fluid streams with a VOC content of 10% or less by weight. [District Rule 2201]

42. 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 4623]

San Joaquin Valley
AIR POLLUTION CONTROL DISTRICT

HEALTHY AIR LIVING™

AUTHORITY TO CONSTRUCT

PERMIT NO: C-315-40-0 **ISSUANCE DATE:** 05/21/2013

LEGAL OWNER OR OPERATOR: CHEVRON USA
MAILING ADDRESS: P O BOX 1392
BAKERSFIELD, CA 93302-1302

LOCATION: KETTLEMAN HILLS
KINGS COUNTY, CA

EQUIPMENT DESCRIPTION:
UP TO 471 BBL FIXED-ROOF CRUDE OIL/PRODUCED FLUIDS TANK WITH PV VALVE AUTHORIZED TO OPERATE AT VARIOUS UNSPECIFIED LOCATIONS WITHIN THE KETTLEMAN NORTH DOME UNIT OILFIELD (WHICH INCLUDES FACILITIES C-273, C-315, AND CONTIGUOUS AND ADJACENT PROPERTIES)

CONDITIONS

1. Prior to operating equipment under this Authority to Construct, permittee shall surrender VOC emission reduction credits for the following quantity of emissions: 1st quarter - 2,743 lb, 2nd quarter - 2,743 lb, 3rd quarter - 2,743 lb, and fourth quarter - 2,743 lb. These amounts include the applicable offset ratio specified in Rule 2201 Section 4.8 (as amended 4/21/11) for the ERC certificate specified below. [District Rule 2201]
2. ERC Certificate Number S-3601-1 (or a certificate split from this certificate) 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]
3. No air contaminant shall be released into the atmosphere which causes a public nuisance. [District Rule 4102]
4. This tank is authorized to operate at CUSA's Kettleman North Dome Unit stationary source(s) which includes facilities C-273 and C-315. [District Rule 2201]
5. The equipment shall not be located within 1,000 feet of the outer boundary of any K-12 school. [CH&SC 42301.6]
6. Storage tanks shall not operate within 0.75 miles of the nearest business or residence. [District Rule 4102]
7. 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 2201]

CONDITIONS CONTINUE ON NEXT PAGE

YOU MUST NOTIFY THE DISTRICT COMPLIANCE DIVISION AT (559) 230-5950 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
C-315-40-0 : May 21 2013 7:39AM – CLERICOB . Joint Inspection NOT Required

8. The provisions of this permit allow for this tank to be connected to a vapor control system where the VOC destruction device (e.g. safety flare or well test flare) is owned and operated by an entity other than Chevron USA and the VOC destruction device is not part of Chevron USA's stationary source. Chevron USA shall obtain an Authority to Construct permit prior to connecting this tank to a vapor control system where the VOC destruction device (e.g. an IC engine or heater, regardless of permit or permit-exempt status) is part of Chevron USA's stationary source. [District Rules 2201 and 4623]
9. 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 and properly maintained in good operating order in accordance with the manufacturer's instructions, and shall remain in a leak free condition except when the operating pressure exceeds the valve's set pressure. [District Rule]
10. This tank shall only store, place, or hold organic liquid with a Reid Vapor Pressure (RVP) of less than 6.0 psia under all storage conditions. [District Rules 2201 and 4623]
11. Tank liquid throughput shall not exceed 750 barrels per day nor 91,250 barrels per year. [District Rule 2201]
12. Fugitive emissions from tank liquid service components shall not exceed 3.2 lb-VOC/day based on EPA's "Protocol for Equipment Leak Emission Estimate," Table 2-4, Oil and Gas Production Operations Average Emissions Factors. [District Rule 2201]
13. Except as otherwise allowed on this permit, this tank shall be maintained in a leak-free condition. [District Rule 4623]
14. When the tank is connected to a vapor control system, any tank gauging or sampling device on a tank vented to the vapor control system shall be equipped with a leak-free cover which shall be closed at all times except during gauging or sampling. [District Rule 4623]
15. When the tank is connected to a vapor control system, all piping, valves, and fittings on the vapor control system shall be constructed and maintained in a leak-free condition [District Rule 4623]
16. At least once per year, operator shall visually inspect the 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, 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]
17. 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]
18. 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]
19. Components found to be leaking either liquids or gases shall be immediately affixed with a tag showing the component to be leaking. Operator shall maintain records of the liquid or gas leak detection readings, date/time the leak was discovered, and date/time the component was repaired to a leak-free condition. [District Rule 4623]
20. 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 Rule 4623]
21. 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 a component type is found to have no leak after four consecutive quarterly inspections, then revert to annual inspections. [District Rule 4623]

CONDITIONS CONTINUE ON NEXT PAGE

22. Any component found to be leaking on two consecutive annual inspections is in violation of Rule 4623, even if covered under the voluntary inspection and maintenance program. [District Rule 4623]

23. 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 1070]

24. This permit authorizes tank cleaning that is not the result of breakdowns or poor maintenance as a routine maintenance activity. [District Rule 4623]

25. This tank shall not be required to de-gas before commencing cleaning activities. All other applicable requirements shall be complied with before, during, and after tank cleaning activities. [District Rule 4623]

26. If tank is left on site for more than six months, permittee shall notify the APCO in writing at least three (3) days prior to performing tank interior tank cleaning activities. Written notification shall include the following: 1) the Permit to Operate number and physical location of the tank, 2) the date and time that tank cleaning activities will begin, 3) the method to be used to clean the tank, including any solvents to be used, and 4) 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 Rule 4623]

27. 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]

28. 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]

29. If tank is left on site for more than six months and contained organic liquid with a TVP of 1.5 psia or greater, during sludge removal, the operator shall control emissions from the sludge receiving vessel by operating an APCO-approved vapor control device that reduces emissions of organic vapors by at least 95%. [District Rule 4623]

30. If tank is left on site for more than six months and contained organic liquid with a TVP of 1.5 psia or greater, Permittee shall only transport removed sludge in closed, liquid leak-free containers. [District Rule 4623]

31. If tank is left on site for more than six months and contained organic liquid with a TVP of 1.5 psia or greater, Permittee shall store removed sludge, until final disposal, in vapor leak-free containers, or in tanks complying with the vapor control requirements of District Rule 4623. Sludge that is to be used to manufacture roadmix, as defined in District Rule 2020, is not required to be stored in this manner. Roadmix manufacturing operations exempt pursuant to District Rule 2020 shall maintain documentation of their compliance with Rule 2020, and shall readily make said documentation available for District inspection upon request. [District Rules 2020 and 4623]

32. Permittee shall maintain records of dates of start and completion dates/times of tank cleaning activities, and methods of cleaning used. [District Rule 4623]

33. Except when the tank is connected to a vapor control system, permittee shall conduct API gravity testing and Reid Vapor Pressure (RVP) or True Vapor Pressure (TVP) testing of the organic liquid stored in this tank whenever there is a change in the source or type of organic liquid stored in this tank. [District Rule 4623]

34. In lieu of testing the organic liquid from each uncontrolled fixed roof tank at this battery, a single RVP or TVP test of the organic liquid from a representative tank may be conducted provided the following conditions are met: (1) The selection of representative tank is submitted in writing to the APCO, and written approval is granted by the APCO prior to conducting the test; (2) The representative tank shall be the first line tank in the tank battery, i.e. the tank that is first receiving the produced fluids mixture of oil, water, and gases from the crude oil production wells; (3) The organic liquid in the representative tank is the same and came from the same source as the organic liquid stored by the other tanks being represented; (4) The TVP and storage temperature of the stored organic liquid of the representative tank to be tested are the same or higher than those of the tanks it is to represent. To ensure this condition is met, the TVP test should be conducted at the temperature of the tank with the highest storage temperature. [District Rule 4623]

CONDITIONS CONTINUE ON NEXT PAGE

35. 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 4623]

36. For crude oil with an API gravity of 26 degrees or less, the TVP shall be determined using the latest version of the Lawrence Berkeley National Laboratory "Test Method for Vapor Pressure of Reactive Organic Compounds in Heavy Crude Oil Using Gas Chromatograph", as approved by ARB and EPA. [District Rule 4623]

37. For crude oil with an API gravity of greater than 26 degrees, the RVP shall be determined using ASTM D 323 (Test Method for Vapor Pressure for Petroleum Products). Oil with an API gravity range of greater than 26 up to 30 may be determined using equivalent RVP/TVP test methods approved by APCO, ARB and US EPA. [District Rule 4623]

38. The operator shall submit a record of the RVP/TVP and API gravity testing required by this permit to the APCO within 45 days of the completion of the test. The record shall include the tank identification number, PTO number(s), type of organic liquid stored, RVP/TVP and API gravity of the organic liquid stored, test methods used, and a copy of the test results. [District Rule 4623]

39. Permittee shall maintain monthly records of average daily crude oil throughput, a record of the annual throughput, and a record of each organic liquid stored in the tank, including its API gravity, and RVP or TVP (and storage temperature). [District Rules 2201 and 4623]

40. Operator shall maintain a list of number and type of components in liquid service and resulting emission calculations (according to U.S. EPA Publication 453/R-95-017, Table 2-4, Oil and Gas Production Average Emission Factors) demonstrating compliance with the fugitive emissions limit set forth on this permit. [District Rule 2201]

41. Fugitive VOC limit listed does not include components handling produced fluids with an API gravity less than 30 degrees, or components in water/oil service (condensate) with a water content equal to or greater than 50% by weight, or components handling fluid streams with a VOC content of 10% or less by weight. [District Rule 2201]

42. 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 4623]

San Joaquin Valley
Air Pollution Control District

PERMIT UNIT: C-473-3-1 **EXPIRATION DATE:** 10/31/2014

EQUIPMENT DESCRIPTION:
STUCCO PRODUCT PACKING LINE CONSISTING OF A RENO WELDING MANUFACTURING PINCH VALVE PACKER SERVED BY A TORIT MODEL #460 FABRIC FILTER DUST COLLECTOR COMMON TO PERMIT UNITS C-473-4, C-473-5 AND C-473-6

PERMIT UNIT REQUIREMENTS

1. No air contaminant shall be released into the atmosphere which causes a public nuisance. [District Rule 4102]
2. Particulate matter emissions shall not exceed 0.1 grains/dscf in concentration. [District Rule 4201]
3. 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]
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. Visible emissions from the baghouse serving the stucco bagging operation shall not equal or exceed 5% opacity for a period or periods aggregating more than three minutes in one hour. [District Rules 2201 and 4101]
6. The baghouse shall be maintained and operated according to manufacturer's specifications. [District Rule 2201]
7. The baghouse shall be turned on prior to dumping, mixing or bagging cement, lime or stucco and shall remain on through the process. [District Rule 2201]
8. The baghouse cleaning frequency and duration shall be adjusted to optimize the control efficiency. [District Rule 2201]
9. A spare set of bags or filters for the baghouse shall be maintained on the premises at all times. [District Rule 2201]
10. The baghouse shall be equipped with a pressure differential gauge to indicate the pressure drop across the bags. The gauge shall be maintained in good working condition at all times and shall be located in an easily accessible location. [District Rule 2201]
11. The baghouse shall operate at all times with a minimum differential pressure of 0 inches water column and a maximum differential pressure of 6 inches water column. [District Rule 2201]
12. Differential operating pressure of the baghouse shall be monitored and recorded on each day that the baghouse operates. [District Rule 2201]
13. Material removed from the baghouse shall be disposed of in a manner preventing rentrainment into the atmosphere. [District Rule 2201]
14. The maximum daily throughput of stucco bagged at the stucco bagging operation shall not exceed 18.3 tons-stucco/day. [District Rule 2201]
15. PM10 emissions rate from the stucco bagging operation shall not exceed 0.2121 lb-PM10/ton-stucco. [District Rule 2201]
16. Records of daily amount of stucco bagged at the stucco bagging operation shall be maintained. [District Rules 1070 and 2201]

PERMIT UNIT REQUIREMENTS CONTINUE ON NEXT PAGE

17. Records of all maintenance of the baghouse, including all change outs of filter media, shall be maintained. [District Rule 2201]
18. All records shall be retained for a period of at least 5 years and shall be made available for District inspection upon request. [District Rule 1070]