



San Joaquin Valley
AIR POLLUTION CONTROL DISTRICT



NOV 18 2013

Shamim Reza
Berry Petroleum Company
5201 Truxtun Avenue Suite 300
Bakersfield, CA 93309

**RE: Notice of Final Action - Authority to Construct / Certificate of
Conformity (Title V Significant Modification)
Facility Number: S-1246
Project Number: S-1124502**

Dear Mr. Reza:

The Air Pollution Control Officer has issued the Authority to Construct permits to Berry Petroleum Company for four (4) new 85 MMBtu/hr natural gas-fired steam generators and to lower the NOx emission limits for five (5) steam generators, at in the Midway Sunset Oilfield. 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 9/26/13. The District's analysis of the proposal was also sent to CARB and US EPA Region IX on 9/23/13. 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. Leonard Scandura at (661) 392-5500.

Sincerely,

David Warner
Director of Permit Services

DW:DBT/st

Enclosures

cc: distribution list

Seyed Sadredin
Executive Director/Air Pollution Control Officer

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Diamond Bar, CA 91765

Tule River Indian Tribe
Attn: Environmental Dept.
340 N. Reservation Road
Porterville, CA 93257

Santa Ynez Tribe (via email)
c/o Tribal Council
FreddyRomero1959@yahoo.com
Scohen@santaynezchumash.org



AUTHORITY TO CONSTRUCT

PERMIT NO: S-1246-19-33

ISSUANCE DATE: 11/08/2013

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

LOCATION: HEAVY OIL WESTERN STATIONARY SOURCE
KERN COUNTY, CA

SECTION: NE28 **TOWNSHIP:** 12N **RANGE:** 24W

EQUIPMENT DESCRIPTION:

MODIFICATION OF 62.5 MMBTU/HR C.E. NATCO NATURAL/TEOR GAS-FIRED STEAM GENERATOR WITH FLUE GAS RECIRCULATION, NORTH AMERICAN MAGNA FLAME LE ULTRA LOW NOX BURNER, AND O2 CONTROLLER: POSSIBLY REPLACE BURNER TIPS AND LOWER NOX LIMIT TO 5 PPM FOR RULE 4320 COMPLIANCE


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. Unit is approved for operation at the following locations: NE/4 Section 28, T12N, R24W and SE/4 Section 36, T12N, R24W. [District Rule 4102]
4. Particulate matter emissions shall not exceed 0.1 grain/dscf, calculated to 12% CO2, nor 10 lb/hr. [District Rules 4201, 3.1 and 4301, 5.1 and 5.2.3] Federally Enforceable Through Title V Permit
5. Nitrogen oxide (NOx) emissions shall not exceed 140 lb/hr, calculated as NO2. [District Rules 4301, 5.2.2, 5.3, and 5.5 and 2520, 9.3.2] 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

S-1246-19-33 : Nov 8 2013 8:07AM - TORID : Joint Inspection NOT Required

6. Compliance with permit conditions in the Title V permit shall be deemed compliance with the following requirements of SJVUAPCD Rules 4201 (Amended December 17, 1992), and 4301 (Amended December 17, 1992). A permit shield is granted from these requirements. [District Rule 2520, 13.2] Federally Enforceable Through Title V Permit
7. The requirements of 40 CFR 72.6(b) and 40 CFR 60.40c do not apply to this source. A permit shield is granted from this requirement. [District Rule 2520, 13.2] Federally Enforceable Through Title V Permit
8. All required source testing shall conform to the compliance testing procedures described in District Rule 1081 (Amended December 16, 1993). [District Rule 1081] Federally Enforceable Through Title V Permit
9. Source testing to measure natural gas-combustion NO_x and CO emissions from this unit shall be conducted within 60 days of initial startup and at least once every twelve (12) months thereafter. After demonstrating compliance on two (2) consecutive annual source tests, the unit shall be tested not less than once every thirty-six (36) months. If the result of the 36-month source test demonstrates that the unit does not meet the applicable emission limits, the source testing frequency shall revert to at least once every twelve (12) months. [District Rules 2201, 4305, 4306, and 4320] Federally Enforceable Through Title V Permit
10. Source testing shall be by District witnessed, or authorized, sample collection by ARB certified testing laboratory. [District Rule 1081] Federally Enforceable Through Title V Permit
11. Emissions for this unit shall be calculated using the arithmetic mean, pursuant to District Rule 1081 (Amended December 16, 1993), of 3 thirty-minute test runs for NO_x and CO. This mean shall be multiplied by the appropriate factor. [District Rule 2520, 9.3.2] Federally Enforceable Through Title V Permit
12. All emissions measurements shall be made with the unit operating either at conditions representative of normal operations or conditions specified in the Permit to Operate. No determination of compliance shall be established within two hours after a continuous period in which fuel flow to the unit is shut off for 30 minutes or longer, or within 30 minutes after a re-ignition as defined in Section 3.0 of District Rule 4306. [District Rules 4305, 4306, and 4320] Federally Enforceable Through Title V Permit
13. For emissions source testing, the arithmetic average of three 30-consecutive-minute test runs shall apply. If two of three runs are above an applicable limit the test cannot be used to demonstrate compliance with an applicable limit. [District Rules 4305, 4306, and 4320] Federally Enforceable Through Title V Permit
14. Source testing shall be conducted using the methods and procedures approved by the District. The District must be notified at least 30 days prior to any compliance source test, and a source test plan must be submitted for approval at least 15 days prior to testing. [District Rule 1081] Federally Enforceable Through Title V Permit
15. The results of each source test shall be submitted to the District within 60 days thereafter. [District Rule 1081] Federally Enforceable Through Title V Permit
16. The source test plan shall identify which basis (ppmv or lb/MMBtu) will be used to demonstrate compliance. [District Rules 4305, 4306, and 4320] Federally Enforceable Through Title V Permit
17. The following test methods shall be used: NO_x (ppmv) - EPA Method 7E or ARB Method 100, NO_x (lb/MMBtu) - EPA Method 19, CO (ppmv) - EPA Method 10 or ARB Method 100, and stack gas oxygen - EPA Method 3 or 3A or ARB Method 100. [District Rules 1081, 4305, 4306, and 4320] Federally Enforceable Through Title V Permit
18. The permittee shall monitor and record the stack concentration of NO_x, CO, and O₂ at least once every month (in which a source test is not performed) using a portable emission monitor that meets District specifications. Monitoring shall not be required if the unit is not in operation, i.e. the unit need not be started solely to perform monitoring. Monitoring shall be performed within 5 days of restarting the unit unless monitoring has been performed within the last month. [District Rules 4305, 4306, and 4320] Federally Enforceable Through Title V Permit

CONDITIONS CONTINUE ON NEXT PAGE

19. If either the NO_x or CO concentrations corrected to 3% O₂, as measured by the portable analyzer, exceed the allowable emissions concentration, the permittee shall return the emissions to within the acceptable range as soon as possible, but no longer than 1 hour of operation after detection. If the portable analyzer readings continue to exceed the allowable emissions concentration after 1 hour of operation after detection, the permittee shall notify the District within the following 1 hour and conduct a certified source test within 60 days of the first exceedance. In lieu of conducting a source test, the permittee may stipulate a violation has occurred, subject to enforcement action. The permittee must then correct the violation, show compliance has been re-established, and resume monitoring procedures. If the deviations are the result of a qualifying breakdown condition pursuant to Rule 1100, the permittee may fully comply with Rule 1100 in lieu of the performing the notification and testing required by this condition. [District Rules 4305, 4306, and 4320] Federally Enforceable Through Title V Permit
20. All alternate monitoring parameter emission readings shall be taken with the unit operating either at conditions representative of normal operations or conditions specified in the Permit to Operate. The analyzer shall be calibrated, maintained, and operated in accordance with the manufacturer's specifications and recommendations or a protocol approved by the APCO. Emission readings taken shall be averaged over a 15 consecutive-minute period by either taking a cumulative 15 consecutive-minute sample reading or by taking at least five (5) readings, evenly spaced out over the 15 consecutive-minute period. [District Rules 4305, 4306, and 4320] Federally Enforceable Through Title V Permit
21. The permittee shall maintain records of: (1) the date and time of NO_x, CO, and O₂ measurements, (2) the O₂ concentration in percent and the measured NO_x and CO concentrations corrected to 3% O₂, (3) make and model of exhaust gas analyzer, (4) exhaust gas analyzer calibration records, and (5) a description of any corrective action taken to maintain the emissions within the acceptable range. [District Rules 4305, 4306, and 4320] Federally Enforceable Through Title V Permit
22. The operational conditions during compliance testing may be imposed as permit requirements. [District Rule 2080] Federally Enforceable Through Title V Permit
23. The duration of each startup and shutdown period shall not exceed 2.0 hours. [District Rules 4305, 4306, and 4320] Federally Enforceable Through Title V Permit
24. The emission control systems shall be in operation and emissions shall be minimized insofar as technologically feasible during startup and shutdown. [District Rules 4305, 4306, and 4320] Federally Enforceable Through Title V Permit
25. Except during startup and shutdown, the emission rate for firing on natural gas shall not exceed any of the following: PM₁₀ - 0.005 lb/MMBtu, NO_x (as NO₂) - 0.0062 lb/MMBtu or 5 ppmvd NO_x @ 3% O₂, VOC - 0.003 lb/MMBtu, or CO - 0.033 lb/MMBtu (46.6 ppmv @ 3% O₂). [District Rules 2201, 4305, 4306, 4320 and 2520, 9.3.2] Federally Enforceable Through Title V Permit
26. Except during startup and shutdown, the emission rate for incineration of waste gas from TEOR S-1246-268 shall not exceed any of the following: PM₁₀ - 0.0075 lb/MMBtu, NO_x (as NO₂) - 0.011 lb/MMBtu or 9 ppmvd NO_x @ 3% O₂, VOC - 0.003 lb/MMBtu, or CO - 0.033 lb/MMBtu. [District Rules 2201, 4305, 4306, 4320 and 2520, 9.3.2] Federally Enforceable Through Title V Permit
27. Daily SO_x emissions shall not exceed 15 lbs/day. [District Rules 2201 and 4301] Federally Enforceable Through Title V Permit
28. Daily emissions shall not exceed any of the following: PM₁₀ - 9.5 lb/day, NO_x (as NO₂) - 54.0 lb/day, VOC - 4.5 lb/day, CO - 49.5 lb/day. [District Rule 2201] Federally Enforceable Through Title V Permit
29. The concentration of sulfur compounds in the exhaust from this unit shall not exceed 0.2% by volume as measured on a dry basis over a 15 minute period. To demonstrate compliance with this requirement the operator shall do one of the following: fire the unit only on PUC or FERC regulated natural gas; or test the sulfur content of each fuel source and demonstrate the sulfur content does not exceed 3.3% by weight for gaseous fuels; or determine that the concentration of sulfur compounds in the exhaust does not exceed the concentration limit by a combination of source testing and fuel analysis. [Kern County Rule 407, District Rule 4301, District Rule 4801, and District Rule 2520, 9.3.2] Federally Enforceable Through Title V Permit

CONDITIONS CONTINUE ON NEXT PAGE

30. When complying with sulfur emission limits by fuel analysis or by a combination of source testing and fuel analysis, each non-certified fuel source shall be tested weekly for sulfur content and higher heating value. If compliance with the fuel sulfur content limit and sulfur emission limits has been demonstrated for 8 consecutive weeks for a fuel source, then the fuel testing frequency shall be quarterly. If a quarterly fuel content source test fails to show compliance, weekly testing shall resume. [District Rule 2520, 9.3.2] Federally Enforceable Through Title V Permit
31. When complying with SO_x emission limits by testing of stack emissions, testing shall be performed not less than once every 12 months using EPA Method 6B; or Method 8; or, for units using gaseous fuel scrubbed for sulfur pre-combustion, a grab sample analysis by GC-FPD/TCD performed in the laboratory and EPA Method 19 to calculated emissions. Gaseous fuel fired units demonstrating compliance on two consecutive annual source tests shall be tested not less than once every thirty-six months; however, annual source testing shall resume if any test fails to show compliance. [District Rule 2520, 9.3.2] Federally Enforceable Through Title V Permit
32. If the unit is fired on noncertified gaseous fuel and compliance with SO_x emission limits is achieved through fuel sulfur content limitations, then the sulfur content of the gaseous fuel being fired in the unit shall be determined using ASTM D1072, D3246, D4084, D4468, D6667, or double GC for H₂S and Mercaptans. [District Rule 2520, 9.3.2] Federally Enforceable Through Title V Permit
33. If fuel analysis is used to demonstrate compliance with the conditions of this permit, the fuel higher heating value for each fuel shall be certified by third party fuel supplier or determined by ASTM D1826 or D1945 in conjunction with ASTM D3588 for gaseous fuels. [District Rule 2520, 9.3.2; 4305, 6.2.1; 4306, 6.2.1; 4351, 6.2.1, 2201] Federally Enforceable Through Title V Permit
34. Permittee shall measure and record the daily quantities of natural gas and waste gas burned in this generator. [District Rule 2201] Federally Enforceable Through Title V Permit
35. Permittee shall demonstrate compliance with the daily sulfur compound emissions limit by calculation using the quantities of natural gas and waste gas burned and the total sulfur content of these fuels, as most recently determined. Permittee shall keep an accurate daily record of the calculated sulfur compound emissions. [District Rule 2201] Federally Enforceable Through Title V Permit
36. Daily heat input from waste gas from TEOR operations shall not exceed 790 MMBtu/day. [District Rule 2201] Federally Enforceable Through Title V Permit
37. Daily heat input shall be determined as follows: [fuel HHV (MMBtu/MMscf)] x [daily fuel throughput (MMscf/day)]. [District Rule 2201] Federally Enforceable Through Title V Permit
38. The fuel higher heating value (HHV) of the non-certified gas shall be determined at least once every calendar year. [District Rule 2201] Federally Enforceable Through Title V Permit
39. Copies of all fuel invoices, gas purchase contracts, supplier certifications, and test results to determine compliance with the conditions of this permit shall be maintained. The operator shall record daily amount and type(s) of fuel(s) combusted. [District Rule 2520, 9.4.2 and District Rule 2201] Federally Enforceable Through Title V Permit
40. All records shall be maintained and retained on-site for a minimum of five (5) years, and shall be made available for District inspection upon request. [District Rules 1070, 4305, 4306, and 4320] Federally Enforceable Through Title V Permit



AUTHORITY TO CONSTRUCT

PERMIT NO: S-1246-252-20

ISSUANCE DATE: 11/08/2013

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

LOCATION: HEAVY OIL WESTERN STATIONARY SOURCE
KERN COUNTY, CA

SECTION: SW31 **TOWNSHIP:** 32S **RANGE:** 24E

EQUIPMENT DESCRIPTION:

MODIFICATION OF 62.5 MMBTU/HR NATURAL GAS/VAPOR RECOVERY GAS-FIRED STRUTHERS STEAM GENERATOR (UNIT #MSJ-414) WITH NORTH AMERICAN MAGNA FLAME LE ULTRA LOW NOX BURNER, FGR, AND OXYGEN ANALYZER/CONTROLLER: POSSIBLY REPLACE BURNER TIPS AND LOWER NOX LIMIT TO 5 PPM FOR RULE 4320 COMPLIANCE

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. Particulate matter emissions shall not exceed 0.1 grain/dscf at operating conditions, nor 0.1 grain/dscf calculated to 12% CO₂, nor 10 lb/hr. [District Rules 4201 and 4301, 5.1 and 5.2.3] Federally Enforceable Through Title V Permit
4. All wells producing from strata steamed by this unit shall be connected to a District-approved emissions control system, have District-approved closed casing vents or be District-approved uncontrolled cyclic wells. [District Rule 4401] Federally Enforceable Through Title V Permit
5. Only three of the following incineration devices shall be operated at any given time: S-1246-252, -253, -254, and flare listed in -268. [District NSR Rule] 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

S-1246-252-20 : Nov 8 2013 8:07AM - TORID : Joint Inspection NOT Required

6. Sulfur content of gas burned shall not exceed 1.0 gr/100 scf. [District NSR Rule] Federally Enforceable Through Title V Permit
7. Sufficient reference gas shall be available to allow for calibration of oxygen analyzer unit at all times. [District NSR Rule] Federally Enforceable Through Title V Permit
8. In case of failure of oxygen analyzer/controller, inlet air damper shall automatically return to "neutral" position. [District NSR Rule] Federally Enforceable Through Title V Permit
9. If steam generator is inoperative, non-condensable vapors shall not vent to atmosphere. [District NSR Rule] Federally Enforceable Through Title V Permit
10. Sulfur Compound emission shall not exceed 30.0 lb/day of SO₂. [District NSR Rule] Federally Enforceable Through Title V Permit
11. Permittee shall keep accurate daily records of fuel gas H₂S concentration and daily fuel usage (scfd) and such records shall be made readily available to District staff upon request. [District Rule 1070] Federally Enforceable Through Title V Permit
12. The duration of each startup and shutdown period shall not exceed 2.0 hours. [District Rules 4305, 4306, and 4320] Federally Enforceable Through Title V Permit
13. The emission control systems shall be in operation and emissions shall be minimized insofar as technologically feasible during startup and shutdown. [District Rules 4305, 4306, and 4320] Federally Enforceable Through Title V Permit
14. Except during periods of startup and shutdown, emission rates shall not exceed any of the following: PM₁₀: 0.005 lb/MMBtu, NO_x (as NO₂): 0.0062 lb/MMBtu or 5 ppmvd NO_x @ 3% O₂, VOC: 0.003 lb/MMBtu; or CO: 46.6 ppmv @ 3% O₂. [District Rules 2201, 4305, 4306, and 4320] Federally Enforceable Through Title V Permit
15. Daily emissions shall not exceed any of the following: PM₁₀ - 7.5 lb/day, NO_x (as NO₂) - 54.0 lb/day, VOC - 4.5 lb/day, CO - 49.5 lb/day. [District Rule 2201] Federally Enforceable Through Title V Permit
16. The concentration of sulfur compounds in the exhaust from this unit shall not exceed 0.2% by volume as measured on a dry basis over a 15 minute period. To demonstrate compliance with this requirement the operator shall do one of the following: fire the unit only on PUC or FERC regulated natural gas; or test the sulfur content of each fuel source and demonstrate the sulfur content does not exceed 3.3% by weight for gaseous fuels; or determine that the concentration of sulfur compounds in the exhaust does not exceed the concentration limit by a combination of source testing and fuel analysis. [Kern County Rule 407, District Rule 4301, District Rule 4801, and District Rule 2520, 9.3.2] Federally Enforceable Through Title V Permit
17. When complying with sulfur emission limits by fuel analysis or by a combination of source testing and fuel analysis, each non-certified fuel source shall be tested weekly for sulfur content and higher heating value. If compliance with the fuel sulfur content limit and sulfur emission limits has been demonstrated for 8 consecutive weeks for a fuel source, then the fuel testing frequency shall be quarterly. If a quarterly fuel content source test fails to show compliance, weekly testing shall resume. [District Rule 2520, 9.3.2] Federally Enforceable Through Title V Permit
18. When complying with SO_x emission limits by testing of stack emissions, testing shall be performed not less than once every 12 months using EPA Method 6B; or Method 8; or, for units using gaseous fuel scrubbed for sulfur pre-combustion, a grab sample analysis by GC-FPD/TCD performed in the laboratory and EPA Method 19 to calculated emissions. Gaseous fuel fired units demonstrating compliance on two consecutive annual source tests shall be tested not less than once every thirty-six months; however, annual source testing shall resume if any test fails to show compliance. [District Rule 2520, 9.3.2] Federally Enforceable Through Title V Permit
19. If the unit is fired on noncertified gaseous fuel and compliance with SO_x emission limits is achieved through fuel sulfur content limitations, then the sulfur content of the gaseous fuel being fired in the unit shall be determined using ASTM D1072, D3246, D4084, D4468, D6667, or double GC for H₂S and Mercaptans. [District Rule 2520, 9.3.2] Federally Enforceable Through Title V Permit

CONDITIONS CONTINUE ON NEXT PAGE

20. If fuel analysis is used to demonstrate compliance with the conditions of this permit, the fuel higher heating value for each fuel shall be certified by third party fuel supplier or determined by ASTM D1826 or D1945 in conjunction with ASTM D3588 for gaseous fuels. [District Rules 2520, 9.3.2; 4305, 6.2.1; 4306, 6.2.1; 4320; 4351, 6.2.1, 2201] Federally Enforceable Through Title V Permit
21. Source testing to measure natural gas-combustion NO_x and CO emissions from this unit shall be conducted within 60 days of initial startup and at least once every twelve (12) months thereafter. After demonstrating compliance on two (2) consecutive annual source tests, the unit shall be tested not less than once every thirty-six (36) months. If the result of the 36-month source test demonstrates that the unit does not meet the applicable emission limits, the source testing frequency shall revert to at least once every twelve (12) months. [District Rules 2201, 4305, 4306, and 4320] Federally Enforceable Through Title V Permit
22. Source test results from an individual unit that is identical to this unit, in terms of rated capacity, operational conditions, fuel used, and control method, as approved by the APCO, will satisfy the NO_x and CO source testing requirement. [District Rule 2520, 9.3.2] Federally Enforceable Through Title V Permit
23. Compliance demonstration (source testing) shall be by District witnessed, or authorized, sample collection by ARB certified testing laboratory. [District Rule 1081] Federally Enforceable Through Title V Permit
24. Source testing shall be conducted using the methods and procedures approved by the District. The District must be notified 30 days prior to any compliance source test, and a source test plan must be submitted for approval 15 days prior to testing. [District Rule 1081] Federally Enforceable Through Title V Permit
25. The source test plan shall identify which basis (ppmv or lb/MMBtu) will be used to demonstrate compliance. [District Rules 4305, 4306, and 4320] Federally Enforceable Through Title V Permit
26. The results of each source test shall be submitted to the District within 60 days thereafter. [District Rule 1081] Federally Enforceable Through Title V Permit
27. The following test methods shall be used: NO_x (ppmv) - EPA Method 7E or ARB Method 100, NO_x (lb/MMBtu) - EPA Method 19, CO (ppmv) - EPA Method 10 or ARB Method 100, stack gas oxygen - EPA Method 3 or 3A or ARB Method 100, and fuel gas sulfur content - ASTM D3246 or double GC for H₂S and mercaptans. [District Rules 1081, 4305, 4306, and 4320] Federally Enforceable Through Title V Permit
28. The sample collection shall be conducted under conditions (fuel quality, firing rate, waste gas incineration, air fuel ratio, etc.) expected to result in emissions representative of normal operation. [District Rule 1081] Federally Enforceable Through Title V Permit
29. The operational conditions during compliance testing may be imposed as permit requirements. [District Rule 2080] Federally Enforceable Through Title V Permit
30. The permittee shall monitor and record the stack concentration of NO_x, CO, and O₂ at least once every month (in which a source test is not performed) using a portable emission monitor that meets District specifications. Monitoring shall not be required if the unit is not in operation, i.e. the unit need not be started solely to perform monitoring. Monitoring shall be performed within 5 days of restarting the unit unless monitoring has been performed within the last month. [District Rules 4305, 4306, and 4320] Federally Enforceable Through Title V Permit
31. If either the NO_x or CO concentrations corrected to 3% O₂, as measured by the portable analyzer, exceed the allowable emissions concentration, the permittee shall return the emissions to within the acceptable range as soon as possible, but no longer than 1 hour of operation after detection. If the portable analyzer readings continue to exceed the allowable emissions concentration after 1 hour of operation after detection, the permittee shall notify the District within the following 1 hour and conduct a certified source test within 60 days of the first exceedance. In lieu of conducting a source test, the permittee may stipulate a violation has occurred, subject to enforcement action. The permittee must then correct the violation, show compliance has been re-established, and resume monitoring procedures. If the deviations are the result of a qualifying breakdown condition pursuant to Rule 1100, the permittee may fully comply with Rule 1100 in lieu of performing the notification and testing required by this condition. [District Rules 4305, 4306, and 4320] Federally Enforceable Through Title V Permit

CONDITIONS CONTINUE ON NEXT PAGE

32. All alternate monitoring parameter emission readings shall be taken with the unit operating either at conditions representative of normal operations or conditions specified in the Permit to Operate. The analyzer shall be calibrated, maintained, and operated in accordance with the manufacturer's specifications and recommendations or a protocol approved by the APCO. Emission readings taken shall be averaged over a 15 consecutive-minute period by either taking a cumulative 15 consecutive-minute sample reading or by taking at least five (5) readings, evenly spaced out over the 15 consecutive-minute period. [District Rules 4305, 4306, and 4320] Federally Enforceable Through Title V Permit
33. The permittee shall maintain records of: (1) the date and time of NO_x, CO, and O₂ measurements, (2) the O₂ concentration in percent and the measured NO_x and CO concentrations corrected to 3% O₂, (3) make and model of exhaust gas analyzer, (4) exhaust gas analyzer calibration records, and (5) a description of any corrective action taken to maintain the emissions within the acceptable range. [District Rules 4305, 4306, and 4320] Federally Enforceable Through Title V Permit
34. Nitrogen oxide (NO_x) emissions shall not exceed 140 lb/hr. [District Rule 4301, 5.2.2] Federally Enforceable Through Title V Permit
35. Copies of all fuel invoices, gas purchase contracts, supplier certifications, and test results to determine compliance with the conditions of this permit shall be maintained. The operator shall record daily amount and type(s) of fuel(s) combusted and all dates on which unit is fired on any noncertified fuel and record specific type of noncertified fuel used. [District Rule 2520, 9.3.2] Federally Enforceable Through Title V Permit
36. Emissions for this unit shall be calculated using the arithmetic mean, pursuant to District Rule 1081 (amended December 16, 1993), of 3 thirty-minute test runs for NO_x and CO. This mean shall be multiplied by the appropriate factor. [District Rules 1081 and 2520, 9.3.2] Federally Enforceable Through Title V Permit
37. The following conditions must be met for representative units to be used to test for NO_x and CO emissions for a group of units: 1) all units are initially source tested and emissions from each unit in group are less than 90% of permitted value and vary 25% or less from the average of all runs, 2) all units in the group are similar in terms of heat input, make and series, operational conditions, fuel used, and control method, 3) the group is owned by a single owner and located at a single stationary source, and 4) the selection of the representative units is approved by the District prior to testing. [District Rule 2520, 9.3.2] Federally Enforceable Through Title V Permit
38. All units in a group for which representative units are annually source tested for NO_x and CO emissions shall have received the same maintenance and tune-up procedures as the representative units. [District Rule 2520, 9.3.2] Federally Enforceable Through Title V Permit
39. An operating log shall be maintained for each unit of the group. The log shall include, on a monthly basis, the total hours of operation, type and quantity of fuel used, and preventative and corrective maintenance and modifications performed. [District Rule 2520, 9.3.2] Federally Enforceable Through Title V Permit
40. The number of representative units source tested for NO_x and CO emissions shall be at least 30% of the total number of units in the group. The units included in the 30% shall be rotated such that in three years, all units in the entire group will have been tested at least once. [District Rule 2520, 9.3.2] Federally Enforceable Through Title V Permit
41. Should any of the representative units exceed the required emission limits of this permit, each of the unit in the group shall conduct emissions testing within 90 days of the failed test. (This requirement shall not supersede a more stringent NSR or PSD permit testing requirement.) [District Rule 2520, 9.3.2] Federally Enforceable Through Title V Permit
42. Compliance with permit conditions in the Title V permit shall be deemed compliance with the following requirements: SJVAPCD Rule 4201 (Amended December 17, 1992), Rule 4801 (amended December 17, 1992), and Rule 4301 (Amended December 17, 1992). A permit shield is granted from these requirements. [District Rule 2520, 13.2] Federally Enforceable Through Title V Permit
43. Compliance with permit conditions in the Title V permit shall be deemed compliance with the out dated Kern County Rules: 108.1, 404, and 407.2. A permit shield is granted from these requirements. [District Rule 2520, 13.2] Federally Enforceable Through Title V Permit

CONDITIONS CONTINUE ON NEXT PAGE

44. This unit commenced construction, modification, or reconstruction prior to June 19, 1984. This unit has not been used to produce electricity for sale in 1985 or on or after November 15, 1990. Therefore, the requirements of 40 CFR 72.6(b) and 40 CFR 60.40c do not apply to this source. A permit shield is granted from this requirement. [District Rule 2520, 13.2] Federally Enforceable Through Title V Permit



AUTHORITY TO CONSTRUCT

PERMIT NO: S-1246-253-19

ISSUANCE DATE: 11/08/2013

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

LOCATION: HEAVY OIL WESTERN STATIONARY SOURCE
KERN COUNTY, CA

SECTION: SE31 **TOWNSHIP:** 32S **RANGE:** 24E

EQUIPMENT DESCRIPTION:

MODIFICATION OF 62.5 MMBTU/HR NATURAL GAS/VAPOR RECOVERY GAS-FIRED STRUTHERS STEAM GENERATOR (UNIT #MSJ-415) WITH NORTH AMERICAN MAGNA FLAME LE ULTRA LOW NOX BURNER, FGR, AND OXYGEN ANALYZER/CONTROLLER: POSSIBLY REPLACE BURNER TIPS AND LOWER NOX LIMIT TO 5 PPM FOR RULE 4320 COMPLIANCE

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. Particulate matter emissions shall not exceed 0.1 grain/dscf at operating conditions, nor 0.1 grain/dscf calculated to 12% CO2, nor 10 lb/hr. [District Rules 4201 and 4301, 5.1 and 5.2.3] Federally Enforceable Through Title V Permit
4. All wells producing from strata steamed by this unit shall be connected to a District-approved emissions control system, have District-approved closed casing vents or be District-approved uncontrolled cyclic wells. [District Rule 4401] Federally Enforceable Through Title V Permit
5. Only three of the following incineration devices shall be operated at any given time: S-1246-252, -253, -254, and flare listed in -268. [District NSR Rule] 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

S-1246-253-19 - Nov 9 2013 8:07AM - TORID - Joint Inspection NOT Required

6. Sulfur content of gas burned shall not exceed 1.0 gr/100 scf. [District NSR Rule] Federally Enforceable Through Title V Permit
7. Sufficient reference gas shall be available to allow for calibration of oxygen analyzer unit at all times. [District NSR Rule] Federally Enforceable Through Title V Permit
8. In case of failure of oxygen analyzer/controller, inlet air damper shall automatically return to "neutral" position. [District NSR Rule] Federally Enforceable Through Title V Permit
9. If steam generator is inoperative, non-condensable vapors shall not vent to atmosphere. [District NSR Rule] Federally Enforceable Through Title V Permit
10. Sulfur Compound emission shall not exceed 30.0 lb/day of SO₂. [District NSR Rule] Federally Enforceable Through Title V Permit
11. Permittee shall keep accurate daily records of fuel gas H₂S concentration and daily fuel usage (scfd) and such records shall be made readily available to District staff upon request. [District Rule 1070] Federally Enforceable Through Title V Permit
12. The duration of each startup and shutdown period shall not exceed 2.0 hours. [District Rules 4305, 4306, and 4320] Federally Enforceable Through Title V Permit
13. The emission control systems shall be in operation and emissions shall be minimized insofar as technologically feasible during startup and shutdown. [District Rules 4305, 4306, and 4320] Federally Enforceable Through Title V Permit
14. Except during periods of startup and shutdown, emission rates shall not exceed any of the following: PM₁₀: 0.005 lb/MMBtu, NO_x (as NO₂): 0.0062 lb/MMBtu or 5 ppmvd NO_x @ 3% O₂, VOC: 0.003 lb/MMBtu; or CO: 46.6 ppmv @ 3% O₂. [District Rules 2201, 4305, 4306, and 4320] Federally Enforceable Through Title V Permit
15. Daily emissions shall not exceed any of the following: PM₁₀ - 7.5 lb/day, NO_x (as NO₂) - 54.0 lb/day, VOC - 4.5 lb/day, CO - 49.5 lb/day. [District Rule 2201] Federally Enforceable Through Title V Permit
16. The concentration of sulfur compounds in the exhaust from this unit shall not exceed 0.2% by volume as measured on a dry basis over a 15 minute period. To demonstrate compliance with this requirement the operator shall do one of the following: fire the unit only on PUC or FERC regulated natural gas; or test the sulfur content of each fuel source and demonstrate the sulfur content does not exceed 3.3% by weight for gaseous fuels; or determine that the concentration of sulfur compounds in the exhaust does not exceed the concentration limit by a combination of source testing and fuel analysis. [Kern County Rule 407, District Rule 4301, District Rule 4801, and District Rule 2520, 9.3.2] Federally Enforceable Through Title V Permit
17. When complying with sulfur emission limits by fuel analysis or by a combination of source testing and fuel analysis, each non-certified fuel source shall be tested weekly for sulfur content and higher heating value. If compliance with the fuel sulfur content limit and sulfur emission limits has been demonstrated for 8 consecutive weeks for a fuel source, then the fuel testing frequency shall be quarterly. If a quarterly fuel content source test fails to show compliance, weekly testing shall resume. [District Rule 2520, 9.3.2] Federally Enforceable Through Title V Permit
18. When complying with SO_x emission limits by testing of stack emissions, testing shall be performed not less than once every 12 months using EPA Method 6B; or Method 8; or, for units using gaseous fuel scrubbed for sulfur pre-combustion, a grab sample analysis by GC-FPD/TCD performed in the laboratory and EPA Method 19 to calculated emissions. Gaseous fuel fired units demonstrating compliance on two consecutive annual source tests shall be tested not less than once every thirty-six months; however, annual source testing shall resume if any test fails to show compliance. [District Rule 2520, 9.3.2] Federally Enforceable Through Title V Permit
19. If the unit is fired on noncertified gaseous fuel and compliance with SO_x emission limits is achieved through fuel sulfur content limitations, then the sulfur content of the gaseous fuel being fired in the unit shall be determined using ASTM D1072, D3246, D4084, D4468, D6667, or double GC for H₂S and Mercaptans. [District Rule 2520, 9.3.2] Federally Enforceable Through Title V Permit

CONDITIONS CONTINUE ON NEXT PAGE

20. If fuel analysis is used to demonstrate compliance with the conditions of this permit, the fuel higher heating value for each fuel shall be certified by third party fuel supplier or determined by ASTM D1826 or D1945 in conjunction with ASTM D3588 for gaseous fuels. [District Rule 2520, 9.3.2; 4305, 6.2.1; 4306, 6.2.1; 4320; 4351, 6.2.1, 2201] Federally Enforceable Through Title V Permit
21. Source testing to measure natural gas-combustion NO_x and CO emissions from this unit shall be conducted within 60 days of initial startup and at least once every twelve (12) months thereafter. After demonstrating compliance on two (2) consecutive annual source tests, the unit shall be tested not less than once every thirty-six (36) months. If the result of the 36-month source test demonstrates that the unit does not meet the applicable emission limits, the source testing frequency shall revert to at least once every twelve (12) months. [District Rules 2201, 4305, 4306, and 4320] Federally Enforceable Through Title V Permit
22. Source test results from an individual unit that is identical to this unit, in terms of rated capacity, operational conditions, fuel used, and control method, as approved by the APCO, will satisfy the NO_x and CO source testing requirement. [District Rule 2520, 9.3.2] Federally Enforceable Through Title V Permit
23. Compliance demonstration (source testing) shall be by District witnessed, or authorized, sample collection by ARB certified testing laboratory. [District Rule 1081] Federally Enforceable Through Title V Permit
24. Source testing shall be conducted using the methods and procedures approved by the District. The District must be notified 30 days prior to any compliance source test, and a source test plan must be submitted for approval 15 days prior to testing. [District Rule 1081] Federally Enforceable Through Title V Permit
25. The source test plan shall identify which basis (ppmv or lb/MMBtu) will be used to demonstrate compliance. [District Rules 4305, 4306, and 4320] Federally Enforceable Through Title V Permit
26. The results of each source test shall be submitted to the District within 60 days thereafter. [District Rule 1081] Federally Enforceable Through Title V Permit
27. The following test methods shall be used: NO_x (ppmv) - EPA Method 7E or ARB Method 100, NO_x (lb/MMBtu) - EPA Method 19, CO (ppmv) - EPA Method 10 or ARB Method 100, stack gas oxygen - EPA Method 3 or 3A or ARB Method 100, and fuel gas sulfur content - ASTM D3246 or double GC for H₂S and mercaptans. [District Rules 1081, 4305, 4306, and 4320] Federally Enforceable Through Title V Permit
28. The sample collection shall be conducted under conditions (fuel quality, firing rate, waste gas incineration, air fuel ratio, etc.) expected to result in emissions representative of normal operation. [District Rule 1081] Federally Enforceable Through Title V Permit
29. The operational conditions during compliance testing may be imposed as permit requirements. [District Rule 2080] Federally Enforceable Through Title V Permit
30. The permittee shall monitor and record the stack concentration of NO_x, CO, and O₂ at least once every month (in which a source test is not performed) using a portable emission monitor that meets District specifications. Monitoring shall not be required if the unit is not in operation, i.e. the unit need not be started solely to perform monitoring. Monitoring shall be performed within 5 days of restarting the unit unless monitoring has been performed within the last month. [District Rules 4305, 4306, and 4320] Federally Enforceable Through Title V Permit
31. If either the NO_x or CO concentrations corrected to 3% O₂, as measured by the portable analyzer, exceed the allowable emissions concentration, the permittee shall return the emissions to within the acceptable range as soon as possible, but no longer than 1 hour of operation after detection. If the portable analyzer readings continue to exceed the allowable emissions concentration after 1 hour of operation after detection, the permittee shall notify the District within the following 1 hour and conduct a certified source test within 60 days of the first exceedance. In lieu of conducting a source test, the permittee may stipulate a violation has occurred, subject to enforcement action. The permittee must then correct the violation, show compliance has been re-established, and resume monitoring procedures. If the deviations are the result of a qualifying breakdown condition pursuant to Rule 1100, the permittee may fully comply with Rule 1100 in lieu of performing the notification and testing required by this condition. [District Rules 4305, 4306, and 4320] Federally Enforceable Through Title V Permit

CONDITIONS CONTINUE ON NEXT PAGE

32. All alternate monitoring parameter emission readings shall be taken with the unit operating either at conditions representative of normal operations or conditions specified in the Permit to Operate. The analyzer shall be calibrated, maintained, and operated in accordance with the manufacturer's specifications and recommendations or a protocol approved by the APCO. Emission readings taken shall be averaged over a 15 consecutive-minute period by either taking a cumulative 15 consecutive-minute sample reading or by taking at least five (5) readings, evenly spaced out over the 15 consecutive-minute period. [District Rules 4305, 4306, and 4320] Federally Enforceable Through Title V Permit
33. The permittee shall maintain records of: (1) the date and time of NO_x, CO, and O₂ measurements, (2) the O₂ concentration in percent and the measured NO_x and CO concentrations corrected to 3% O₂, (3) make and model of exhaust gas analyzer, (4) exhaust gas analyzer calibration records, and (5) a description of any corrective action taken to maintain the emissions within the acceptable range. [District Rules 4305, 4306, and 4320] Federally Enforceable Through Title V Permit
34. Nitrogen oxide (NO_x) emissions shall not exceed 140 lb/hr. [District Rule 4301, 5.2.2] Federally Enforceable Through Title V Permit
35. Copies of all fuel invoices, gas purchase contracts, supplier certifications, and test results to determine compliance with the conditions of this permit shall be maintained. The operator shall record daily amount and type(s) of fuel(s) combusted and all dates on which unit is fired on any noncertified fuel and record specific type of noncertified fuel used. [District Rule 2520, 9.3.2] Federally Enforceable Through Title V Permit
36. When complying with sulfur emission limits by fuel analysis or by a combination of source testing and fuel analysis, each fuel source shall be tested weekly for sulfur content and higher heating value. If compliance with the fuel sulfur content limit and sulfur emission limits has been demonstrated for 8 consecutive weeks for a fuel source, then the fuel testing frequency shall be semi-annually. If a semi-annual fuel content source test fails to show compliance, weekly testing shall resume. [District Rule 2520, 9.3.2] Federally Enforceable Through Title V Permit
37. Emissions for this unit shall be calculated using the arithmetic mean, pursuant to District Rule 1081 (amended December 16, 1993), of 3 thirty-minute test runs for NO_x and CO. This mean shall be multiplied by the appropriate factor. [District Rules 1081 and 2520, 9.3.2] Federally Enforceable Through Title V Permit
38. The following conditions must be met for representative units to be used to test for NO_x and CO emissions for a group of units: 1) all units are initially source tested and emissions from each unit in group are less than 90% of permitted value and vary 25% or less from the average of all runs, 2) all units in the group are similar in terms of heat input, make and series, operational conditions, fuel used, and control method, 3) the group is owned by a single owner and located at a single stationary source, and 4) the selection of the representative units is approved by the District prior to testing. [District Rule 2520, 9.3.2] Federally Enforceable Through Title V Permit
39. All units in a group for which representative units are annually source tested for NO_x and CO emissions shall have received the same maintenance and tune-up procedures as the representative units. [District Rule 2520, 9.3.2] Federally Enforceable Through Title V Permit
40. An operating log shall be maintained for each unit of the group. The log shall include, on a monthly basis, the total hours of operation, type and quantity of fuel used, and preventative and corrective maintenance and modifications performed. [District Rule 2520, 9.3.2] Federally Enforceable Through Title V Permit
41. The number of representative units source tested for NO_x and CO emissions shall be at least 30% of the total number of units in the group. The units included in the 30% shall be rotated such that in three years, all units in the entire group will have been tested at least once. [District Rule 2520, 9.3.2] Federally Enforceable Through Title V Permit
42. Should any of the representative units exceed the required emission limits of this permit, each of the unit in the group shall conduct emissions testing within 90 days of the failed test. (This requirement shall not supersede a more stringent NSR or PSD permit testing requirement.) [District Rule 2520, 9.3.2] Federally Enforceable Through Title V Permit
43. Compliance with permit conditions in the Title V permit shall be deemed compliance with the following requirements: SJVAPCD Rule 4201 (Amended December 17, 1992), Rule 4801 (amended December 17, 1992), and Rule 4301 (Amended December 17, 1992). A permit shield is granted from these requirements. [District Rule 2520, 13.2] Federally Enforceable Through Title V Permit

CONDITIONS CONTINUE ON NEXT PAGE

44. Compliance with permit conditions in the Title V permit shall be deemed compliance with the out dated Kern County Rules: 108.1, 404, and 407.2. A permit shield is granted from these requirements. [District Rule 2520, 13.2] Federally Enforceable Through Title V Permit
45. This unit commenced construction, modification, or reconstruction prior to June 19, 1984. This unit has not been used to produce electricity for sale in 1985 or on or after November 15, 1990. Therefore, the requirements of 40 CFR 72.6(b) and 40 CFR 60.40c do not apply to this source. A permit shield is granted from this requirement. [District Rule 2520, 13.2] Federally Enforceable Through Title V Permit



AUTHORITY TO CONSTRUCT

PERMIT NO: S-1246-254-19

ISSUANCE DATE: 11/08/2013

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

LOCATION: HEAVY OIL WESTERN STATIONARY SOURCE
KERN COUNTY, CA

SECTION: SE31 **TOWNSHIP:** 32S **RANGE:** 24E

EQUIPMENT DESCRIPTION:

MODIFICATION OF 62.5 MMBTU/HR NATURAL GAS/VAPOR RECOVERY GAS-FIRED STRUTHERS STEAM GENERATOR (UNIT #MSJ-416) WITH NORTH AMERICAN MAGNA FLAME LE ULTRA LOW NOX BURNER, FGR, AND OXYGEN ANALYZER/CONTROLLER: POSSIBLY REPLACE BURNER TIPS AND LOWER NOX LIMIT TO 5 PPM FOR RULE 4320 COMPLIANCE

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. Particulate matter emissions shall not exceed 0.1 grain/dscf at operating conditions, nor 0.1 grain/dscf calculated to 12% CO₂, nor 10 lb/hr. [District Rules 4201 and 4301, 5.1 and 5.2.3] Federally Enforceable Through Title V Permit
4. All wells producing from strata steamed by this unit shall be connected to a District-approved emissions control system, have District-approved closed casing vents or be District-approved uncontrolled cyclic wells. [District Rule 4401] Federally Enforceable Through Title V Permit
5. Only three of the following incineration devices shall be operated at any given time: S-1246-252, -253, -254, and flare listed in -268. [District NSR Rule] 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
S-1246-254-19 : Nov 8 2013 8:07AM - TORID : Joint Inspection NOT Required

6. Sulfur content of gas burned shall not exceed 1.0 gr/100 scf. [District NSR Rule] Federally Enforceable Through Title V Permit
7. Sufficient reference gas shall be available to allow for calibration of oxygen analyzer unit at all times. [District NSR Rule] Federally Enforceable Through Title V Permit
8. In case of failure of oxygen analyzer/controller, inlet air damper shall automatically return to "neutral" position. [District NSR Rule] Federally Enforceable Through Title V Permit
9. If steam generator is inoperative, non-condensable vapors shall not vent to atmosphere. [District NSR Rule] Federally Enforceable Through Title V Permit
10. Sulfur Compound emission shall not exceed 30.0 lb/day of SO₂. [District NSR Rule] Federally Enforceable Through Title V Permit
11. Permittee shall keep accurate daily records of fuel gas H₂S concentration and daily fuel usage (scfd) and such records shall be made readily available to District staff upon request. [District Rule 1070] Federally Enforceable Through Title V Permit
12. The duration of each startup and shutdown period shall not exceed 2.0 hours. [District Rules 4305, 4306, and 4320] Federally Enforceable Through Title V Permit
13. The emission control systems shall be in operation and emissions shall be minimized insofar as technologically feasible during startup and shutdown. [District Rules 4305, 4306, and 4320] Federally Enforceable Through Title V Permit
14. Except during periods of startup and shutdown, emission rates shall not exceed any of the following: PM₁₀: 0.005 lb/MMBtu, NO_x (as NO₂): 0.0062 lb/MMBtu or 5 ppmvd NO_x @ 3% O₂, VOC: 0.003 lb/MMBtu; or CO: 46.6 ppmv @ 3% O₂. [District Rules 2201, 4305, 4306, and 4320] Federally Enforceable Through Title V Permit
15. Daily emissions shall not exceed any of the following: PM₁₀ - 7.5 lb/day, NO_x (as NO₂) - 54.0 lb/day, VOC - 4.5 lb/day, CO - 49.5 lb/day. [District Rule 2201] Federally Enforceable Through Title V Permit
16. The concentration of sulfur compounds in the exhaust from this unit shall not exceed 0.2% by volume as measured on a dry basis over a 15 minute period. To demonstrate compliance with this requirement the operator shall do one of the following: fire the unit only on PUC or FERC regulated natural gas; or test the sulfur content of each fuel source and demonstrate the sulfur content does not exceed 3.3% by weight for gaseous fuels; or determine that the concentration of sulfur compounds in the exhaust does not exceed the concentration limit by a combination of source testing and fuel analysis. [Kern County Rule 407, District Rule 4301, District Rule 4801, and District Rule 2520, 9.3.2] Federally Enforceable Through Title V Permit
17. When complying with sulfur emission limits by fuel analysis or by a combination of source testing and fuel analysis, each non-certified fuel source shall be tested weekly for sulfur content and higher heating value. If compliance with the fuel sulfur content limit and sulfur emission limits has been demonstrated for 8 consecutive weeks for a fuel source, then the fuel testing frequency shall be quarterly. If a quarterly fuel content source test fails to show compliance, weekly testing shall resume. [District Rule 2520, 9.3.2] Federally Enforceable Through Title V Permit
18. When complying with SO_x emission limits by testing of stack emissions, testing shall be performed not less than once every 12 months using EPA Method 6B; or Method 8; or, for units using gaseous fuel scrubbed for sulfur pre-combustion, a grab sample analysis by GC-FPD/TCD performed in the laboratory and EPA Method 19 to calculated emissions. Gaseous fuel fired units demonstrating compliance on two consecutive annual source tests shall be tested not less than once every thirty-six months; however, annual source testing shall resume if any test fails to show compliance. [District Rule 2520, 9.3.2] Federally Enforceable Through Title V Permit
19. If the unit is fired on noncertified gaseous fuel and compliance with SO_x emission limits is achieved through fuel sulfur content limitations, then the sulfur content of the gaseous fuel being fired in the unit shall be determined using ASTM D1072, D3246, D4084, D4468, D6667, or double GC for H₂S and Mercaptans. [District Rule 2520, 9.3.2] Federally Enforceable Through Title V Permit

CONDITIONS CONTINUE ON NEXT PAGE

20. If fuel analysis is used to demonstrate compliance with the conditions of this permit, the fuel higher heating value for each fuel shall be certified by third party fuel supplier or determined by ASTM D1826 or D1945 in conjunction with ASTM D3588 for gaseous fuels. [District Rule 2520, 9.3.2; 4305, 6.2.1; 4306, 6.2.1; 4320; 4351, 6.2.1, 2201] Federally Enforceable Through Title V Permit
21. Source testing to measure natural gas-combustion NOx and CO emissions from this unit shall be conducted within 60 days of initial startup and at least once every twelve (12) months thereafter. After demonstrating compliance on two (2) consecutive annual source tests, the unit shall be tested not less than once every thirty-six (36) months. If the result of the 36-month source test demonstrates that the unit does not meet the applicable emission limits, the source testing frequency shall revert to at least once every twelve (12) months. [District Rules 2201, 4305, 4306, and 4320] Federally Enforceable Through Title V Permit
22. Source test results from an individual unit that is identical to this unit, in terms of rated capacity, operational conditions, fuel used, and control method, as approved by the APCO, will satisfy the NOx and CO source testing requirement. [District Rule 2520, 9.3.2] Federally Enforceable Through Title V Permit
23. Compliance demonstration (source testing) shall be by District witnessed, or authorized, sample collection by ARB certified testing laboratory. [District Rule 1081] Federally Enforceable Through Title V Permit
24. Source testing shall be conducted using the methods and procedures approved by the District. The District must be notified 30 days prior to any compliance source test, and a source test plan must be submitted for approval 15 days prior to testing. [District Rule 1081] Federally Enforceable Through Title V Permit
25. The source test plan shall identify which basis (ppmv or lb/MMBtu) will be used to demonstrate compliance. [District Rules 4305, 4306, and 4320] Federally Enforceable Through Title V Permit
26. The results of each source test shall be submitted to the District within 60 days thereafter. [District Rule 1081] Federally Enforceable Through Title V Permit
27. The following test methods shall be used: NOx (ppmv) - EPA Method 7E or ARB Method 100, NOx (lb/MMBtu) - EPA Method 19, CO (ppmv) - EPA Method 10 or ARB Method 100, stack gas oxygen - EPA Method 3 or 3A or ARB Method 100, and fuel gas sulfur content - ASTM D3246 or double GC for H2S and mercaptans. [District Rules 1081, 4305, 4306, and 4320] Federally Enforceable Through Title V Permit
28. The sample collection shall be conducted under conditions (fuel quality, firing rate, waste gas incineration, air fuel ratio, etc.) expected to result in emissions representative of normal operation. [District Rule 1081] Federally Enforceable Through Title V Permit
29. The operational conditions during compliance testing may be imposed as permit requirements. [District Rule 2080] Federally Enforceable Through Title V Permit
30. The permittee shall monitor and record the stack concentration of NOx, CO, and O2 at least once every month (in which a source test is not performed) using a portable emission monitor that meets District specifications. Monitoring shall not be required if the unit is not in operation, i.e. the unit need not be started solely to perform monitoring. Monitoring shall be performed within 5 days of restarting the unit unless monitoring has been performed within the last month. [District Rules 4305, 4306, and 4320] Federally Enforceable Through Title V Permit
31. If either the NOx or CO concentrations corrected to 3% O2, as measured by the portable analyzer, exceed the allowable emissions concentration, the permittee shall return the emissions to within the acceptable range as soon as possible, but no longer than 1 hour of operation after detection. If the portable analyzer readings continue to exceed the allowable emissions concentration after 1 hour of operation after detection, the permittee shall notify the District within the following 1 hour and conduct a certified source test within 60 days of the first exceedance. In lieu of conducting a source test, the permittee may stipulate a violation has occurred, subject to enforcement action. The permittee must then correct the violation, show compliance has been re-established, and resume monitoring procedures. If the deviations are the result of a qualifying breakdown condition pursuant to Rule 1100, the permittee may fully comply with Rule 1100 in lieu of performing the notification and testing required by this condition. [District Rules 4305, 4306, and 4320] Federally Enforceable Through Title V Permit

CONDITIONS CONTINUE ON NEXT PAGE

32. All alternate monitoring parameter emission readings shall be taken with the unit operating either at conditions representative of normal operations or conditions specified in the Permit to Operate. The analyzer shall be calibrated, maintained, and operated in accordance with the manufacturer's specifications and recommendations or a protocol approved by the APCO. Emission readings taken shall be averaged over a 15 consecutive-minute period by either taking a cumulative 15 consecutive-minute sample reading or by taking at least five (5) readings, evenly spaced out over the 15 consecutive-minute period. [District Rules 4305, 4306, and 4320] Federally Enforceable Through Title V Permit
33. The permittee shall maintain records of: (1) the date and time of NO_x, CO, and O₂ measurements, (2) the O₂ concentration in percent and the measured NO_x and CO concentrations corrected to 3% O₂, (3) make and model of exhaust gas analyzer, (4) exhaust gas analyzer calibration records, and (5) a description of any corrective action taken to maintain the emissions within the acceptable range. [District Rules 4305, 4306, and 4320] Federally Enforceable Through Title V Permit
34. Nitrogen oxide (NO_x) emissions shall not exceed 140 lb/hr. [District Rule 4301, 5.2.2] Federally Enforceable Through Title V Permit
35. Copies of all fuel invoices, gas purchase contracts, supplier certifications, and test results to determine compliance with the conditions of this permit shall be maintained. The operator shall record daily amount and type(s) of fuel(s) combusted and all dates on which unit is fired on any noncertified fuel and record specific type of noncertified fuel used. [District Rule 2520, 9.3.2] Federally Enforceable Through Title V Permit
36. When complying with sulfur emission limits by fuel analysis or by a combination of source testing and fuel analysis, each fuel source shall be tested weekly for sulfur content and higher heating value. If compliance with the fuel sulfur content limit and sulfur emission limits has been demonstrated for 8 consecutive weeks for a fuel source, then the fuel testing frequency shall be semi-annually. If a semi-annual fuel content source test fails to show compliance, weekly testing shall resume. [District Rule 2520, 9.3.2] Federally Enforceable Through Title V Permit
37. Emissions for this unit shall be calculated using the arithmetic mean, pursuant to District Rule 1081 (amended December 16, 1993), of 3 thirty-minute test runs for NO_x and CO. This mean shall be multiplied by the appropriate factor. [District Rules 1081 and 2520, 9.3.2] Federally Enforceable Through Title V Permit
38. The following conditions must be met for representative units to be used to test for NO_x and CO emissions for a group of units: 1) all units are initially source tested and emissions from each unit in group are less than 90% of permitted value and vary 25% or less from the average of all runs, 2) all units in the group are similar in terms of heat input, make and series, operational conditions, fuel used, and control method, 3) the group is owned by a single owner and located at a single stationary source, and 4) the selection of the representative units is approved by the District prior to testing. [District Rule 2520, 9.3.2] Federally Enforceable Through Title V Permit
39. All units in a group for which representative units are annually source tested for NO_x and CO emissions shall have received the same maintenance and tune-up procedures as the representative units. [District Rule 2520, 9.3.2] Federally Enforceable Through Title V Permit
40. An operating log shall be maintained for each unit of the group. The log shall include, on a monthly basis, the total hours of operation, type and quantity of fuel used, and preventative and corrective maintenance and modifications performed. [District Rule 2520, 9.3.2] Federally Enforceable Through Title V Permit
41. The number of representative units source tested for NO_x and CO emissions shall be at least 30% of the total number of units in the group. The units included in the 30% shall be rotated such that in three years, all units in the entire group will have been tested at least once. [District Rule 2520, 9.3.2] Federally Enforceable Through Title V Permit
42. Should any of the representative units exceed the required emission limits of this permit, each of the unit in the group shall conduct emissions testing within 90 days of the failed test. (This requirement shall not supersede a more stringent NSR or PSD permit testing requirement.) [District Rule 2520, 9.3.2] Federally Enforceable Through Title V Permit
43. Compliance with permit conditions in the Title V permit shall be deemed compliance with the following requirements: SJVAPCD Rule 4201 (Amended December 17, 1992), Rule 4801 (amended December 17, 1992), and Rule 4301 (Amended December 17, 1992). A permit shield is granted from these requirements. [District Rule 2520, 13.2] Federally Enforceable Through Title V Permit

CONDITIONS CONTINUE ON NEXT PAGE

44. Compliance with permit conditions in the Title V permit shall be deemed compliance with the out dated Kern County Rules: 108.1, 404, and 407.2. A permit shield is granted from these requirements. [District Rule 2520, 13.2] Federally Enforceable Through Title V Permit
45. This unit commenced construction, modification, or reconstruction prior to June 19, 1984. This unit has not been used to produce electricity for sale in 1985 or on or after November 15, 1990. Therefore, the requirements of 40 CFR 72.6(b) and 40 CFR 60.40c do not apply to this source. A permit shield is granted from this requirement. [District Rule 2520, 13.2] Federally Enforceable Through Title V Permit



AUTHORITY TO CONSTRUCT

PERMIT NO: S-1246-269-18

ISSUANCE DATE: 11/08/2013

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

LOCATION: HEAVY OIL WESTERN STATIONARY SOURCE
KERN COUNTY, CA

SECTION: SE36 **TOWNSHIP:** 12N **RANGE:** 24W

EQUIPMENT DESCRIPTION:

MODIFICATION OF 62.5 MMBTU/HR NATURAL GAS-FIRED STEAM GENERATOR WITH NORTH AMERICAN MAGNA FLAME LE ULTRA LOW NOX BURNER, FGR AND O2 CONTROLLER: POSSIBLY REPLACE BURNER TIPS AND LOWER NOX LIMIT TO 5 PPM FOR RULE 4320 COMPLIANCE

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. Particulate matter emissions shall not exceed 0.1 grain/dscf at operating conditions, nor 0.1 grain/dscf calculated to 12% CO2, nor 10 lb/hr. [District Rules 4201 and 4301, 5.1 and 5.2.3] Federally Enforceable Through Title V Permit
4. This generator is permitted to operate at the following locations: SE 1/4 Section 36 of Township 12N, Range 24W and SE 1/4 Section 36 of Township 32S, Range 23E. [District NSR Rule] Federally Enforceable Through Title V Permit
5. 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 NSR Rule] 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

S-1246-269-18 : Nov 8 2013 8:07AM - TORID Joint Inspection NOT Required

6. Only sulfur-scrubbed gas from the Ethel-D casing vent vapor collection system (S-1246-290)(TEOR gas) and/or natural gas shall be used as a fuel. [District NSR Rule] Federally Enforceable Through Title V Permit
7. Steam generator shall be equipped with the following operational instrumentation: fuel gas volume flowmeter and TEOR gas volume flowmeter. [District NSR Rule and District Rules 4305, 5.4 and 4306, 5.4, and 4320] Federally Enforceable Through Title V Permit
8. Exhaust gas stack shall be equipped with adequate provisions facilitating the collection of gas samples consistent with EPA test methods. [District NSR Rule and District Rule 1081] Federally Enforceable Through Title V Permit
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. Operator shall ensure that all required source testing conforms to the compliance testing procedures described in District Rule 1081. [District Rule 1081] Federally Enforceable Through Title V Permit
11. Operator shall maintain copies of fuel invoices and supplier certifications. [District Rule 2520, 9.4.2] Federally Enforceable Through Title V Permit
12. Steam generator firebox convection section and all flue gas ductwork shall be maintained with no detectable leaks. [District NSR Rule] Federally Enforceable Through Title V Permit
13. Sufficient calibration gas for O₂ analyzer shall be available at all times. [District NSR Rule] Federally Enforceable Through Title V Permit
14. Emission rates shall not exceed any of the following: 0.0067 lb SO_x/MMBtu (as SO₂), 0.005 lb PM₁₀/MMBtu, or 0.003 lb VOC/MMBtu. [District NSR Rule] Federally Enforceable Through Title V Permit
15. Except during periods of startup and shutdown, emission rates shall not exceed any of the following: 0.0062 lb NO_x/MMBtu (as NO₂) or 5 ppmv NO_x @ 3% O₂, or 46.6 ppmv CO @ 3% O₂. [District NSR Rule and Rules 4305, 4306, 5.1, and 4320] Federally Enforceable Through Title V Permit
16. Daily emissions shall not exceed any of the following: PM₁₀ - 7.5 lb/day, NO_x (as NO₂) - 36.0 lb/day, VOC - 4.5 lb/day, CO - 49.5 lb/day. [District NSR Rule] Federally Enforceable Through Title V Permit
17. The concentration of sulfur compounds in the exhaust from this unit shall not exceed 0.2% by volume as measured on a dry basis over a 15 minute period. To demonstrate compliance with this requirement the operator shall do one of the following: fire the unit only on PUC or FERC regulated natural gas; or test the sulfur content of each fuel source and demonstrate the sulfur content does not exceed 3.3% by weight for gaseous fuels; or determine that the concentration of sulfur compounds in the exhaust does not exceed the concentration limit by a combination of source testing and fuel analysis. [Kern County Rule 407, District Rule 4301, District Rule 4801, and District Rule 2520, 9.3.2] Federally Enforceable Through Title V Permit
18. Permittee shall measure and record the fuel gas sulfur content and BTU content at the time of NO_x testing, except for natural gas purchased from a PUC regulated utility. [District Rules 2201 and 4406] Federally Enforceable Through Title V Permit
19. When complying with sulfur emission limits by fuel analysis or by a combination of source testing and fuel analysis, each non-certified fuel source shall be tested weekly for sulfur content and higher heating value. If compliance with the fuel sulfur content limit and sulfur emission limits has been demonstrated for 8 consecutive weeks for a fuel source, then the fuel testing frequency shall be quarterly. If a quarterly fuel content source test fails to show compliance, weekly testing shall resume. [District Rule 2520, 9.3.2] Federally Enforceable Through Title V Permit
20. When complying with SO_x emission limits by testing of stack emissions, testing shall be performed not less than once every 12 months using EPA Method 6B; or Method 8; or, for units using gaseous fuel scrubbed for sulfur pre-combustion, a grab sample analysis by GC-FPD/TCD performed in the laboratory and EPA Method 19 to calculated emissions. Gaseous fuel fired units demonstrating compliance on two consecutive annual source tests shall be tested not less than once every thirty-six months; however, annual source testing shall resume if any test fails to show compliance. [District Rule 2520, 9.3.2] Federally Enforceable Through Title V Permit

CONDITIONS CONTINUE ON NEXT PAGE

21. If the unit is fired on noncertified gaseous fuel and compliance with SO_x emission limits is achieved through fuel sulfur content limitations, then the sulfur content of the gaseous fuel being fired in the unit shall be determined using ASTM D1072, D3246, D4084, D4468, D6667, or double GC for H₂S and Mercaptans. [District Rule 2520, 9.3.2] Federally Enforceable Through Title V Permit
22. If fuel analysis is used to demonstrate compliance with the conditions of this permit, the fuel higher heating value for each fuel shall be certified by third party fuel supplier or determined by ASTM D1826 or D1945 in conjunction with ASTM D3588 for gaseous fuels. [District Rule 2520, 9.3.2; 4305, 6.2.1; 4306, 6.2.1; 4320; 4351, 6.2.1, 2201] Federally Enforceable Through Title V Permit
23. Nitrogen oxide (NO_x) emissions shall not exceed 140 lb/hr. [District Rule 4301, 5.2.2] Federally Enforceable Through Title V Permit
24. The duration of each startup and shutdown period shall not exceed 2.0 hours. [District Rules 4305, 4306, and 4320] Federally Enforceable Through Title V Permit
25. The emission control systems shall be in operation and emissions shall be minimized insofar as technologically feasible during startup and shutdown. [District Rules 4305, 4306, and 4320] Federally Enforceable Through Title V Permit
26. Copies of all fuel invoices, gas purchase contracts, supplier certifications, and test results to determine compliance with the conditions of this permit shall be maintained. The operator shall record daily amount and type(s) of fuel(s) combusted and all dates on which unit is fired on any noncertified fuel and record specific type of noncertified fuel used. [District Rule 2520, 9.3.2] Federally Enforceable Through Title V Permit
27. Permittee shall measure and record, at least monthly, the sulfur content and BTU content of the TEOR gas incinerated in this unit. [District NSR Rule] Federally Enforceable Through Title V Permit
28. Emissions of sulfur compounds from this unit shall not exceed 200 lb per hour, calculated as SO₂. Compliance with this requirement may be demonstrated by firing the unit only on PUC or FERC regulated natural gas or by testing the sulfur content of each fuel and determining the maximum hourly emissions of sulfur compounds by multiplying the sulfur content of each fuel in lb/MMBtu by the maximum heat rating of the unit; or by source testing in combination with fuel analysis. [District Rules 2520, 9.3.2 and 4301, 5.2.1] Federally Enforceable Through Title V Permit
29. Sulfur emissions shall not exceed 0.11 lb of sulfur per million BTU of heat input, averaged over 3 - one hour periods. Compliance with this requirement may be demonstrated by firing the unit only on PUC or FERC regulated natural gas; multiplying the reported sulfur content of each fuel in lb/MMBtu by the maximum heat input rating of the unit; or by a combination of source testing for sulfur compounds and fuel analysis. Compliance may be demonstrated for this unit individually, or by showing that the total emissions of sulfur compounds from all steam generators located at the stationary source with ATC or PTO issued prior to September 12, 1979 does not exceed the emissions that would result if each was operating in compliance with the specified limit. [Kern County Rule 424 and District Rule 2520, 9.3.2] Federally Enforceable Through Title V Permit
30. All emissions measurements shall be made with the unit operating either at conditions representative of normal operations or conditions specified in the Permit to Operate. No determination of compliance shall be established within two hours after a continuous period in which fuel flow to the unit is shut off for 30 minutes or longer, or within 30 minutes after a re-ignition as defined in Section 3.0 of District Rule 4306. [District Rules 4305, 4306, and 4320] Federally Enforceable Through Title V Permit
31. Source testing to measure natural gas-combustion NO_x and CO emissions from this unit shall be conducted within 60 days of initial startup and at least once every twelve (12) months thereafter. After demonstrating compliance on two (2) consecutive annual source tests, the unit shall be tested not less than once every thirty-six (36) months. If the result of the 36-month source test demonstrates that the unit does not meet the applicable emission limits, the source testing frequency shall revert to at least once every twelve (12) months. [District Rules 2201, 4305, 4306, and 4320] Federally Enforceable Through Title V Permit
32. Source test results from an individual unit that is identical to this unit, in terms of rated capacity, operational conditions, fuel used, and control method, as approved by the APCO, will satisfy the NO_x and CO source testing requirement. [District Rules 2520, 9.4.2, 4305, 4306, 4320, and 4351] Federally Enforceable Through Title V Permit

CONDITIONS CONTINUE ON NEXT PAGE

33. Compliance demonstration (source testing) shall be conducted by independent testing laboratory and shall be witnessed, or authorized by District. Sample collection shall be done by ARB certified testing laboratory. [District Rule 1081] Federally Enforceable Through Title V Permit
34. Source testing shall be conducted using the methods and procedures approved by the District. The District must be notified 30 days prior to any compliance source test, and a source test plan must be submitted for approval 15 days prior to testing. [District Rule 1081] Federally Enforceable Through Title V Permit
35. The source test plan shall identify which basis (ppmv or lb/MMBtu) will be used to demonstrate compliance. [District Rules 4305, 4306, and 4320] Federally Enforceable Through Title V Permit
36. The results of each source test shall be submitted to the District within 60 days thereafter. [District Rule 1081] Federally Enforceable Through Title V Permit
37. The sample collection shall be conducted under conditions (fuel quality, firing rate, waste gas incineration, air fuel ratio, etc.) expected to result in emissions representative of normal operation. [District Rule 1081] Federally Enforceable Through Title V Permit
38. The operational conditions during compliance testing may be imposed as permit requirements. [District Rule 2080] Federally Enforceable Through Title V Permit
39. The permittee shall monitor and record the stack concentration of NO_x, CO, and O₂ at least once every month (in which a source test is not performed) using a portable emission monitor that meets District specifications. Monitoring shall not be required if the unit is not in operation, i.e. the unit need not be started solely to perform monitoring. Monitoring shall be performed within 5 days of restarting the unit unless monitoring has been performed within the last month. [District Rules 4305, 4306, and 4320] Federally Enforceable Through Title V Permit
40. If either the NO_x or CO concentrations corrected to 3% O₂, as measured by the portable analyzer, exceed the allowable emissions concentration, the permittee shall return the emissions to within the acceptable range as soon as possible, but no longer than 1 hour of operation after detection. If the portable analyzer readings continue to exceed the allowable emissions concentration after 1 hour of operation after detection, the permittee shall notify the District within the following 1 hour and conduct a certified source test within 60 days of the first exceedance. In lieu of conducting a source test, the permittee may stipulate a violation has occurred, subject to enforcement action. The permittee must then correct the violation, show compliance has been re-established, and resume monitoring procedures. If the deviations are the result of a qualifying breakdown condition pursuant to Rule 1100, the permittee may fully comply with Rule 1100 in lieu of the performing the notification and testing required by this condition. [District Rules 4305, 4306, and 4320] Federally Enforceable Through Title V Permit
41. All alternate monitoring parameter emission readings shall be taken with the unit operating either at conditions representative of normal operations or conditions specified in the Permit to Operate. The analyzer shall be calibrated, maintained, and operated in accordance with the manufacturer's specifications and recommendations or a protocol approved by the APCO. Emission readings taken shall be averaged over a 15 consecutive-minute period by either taking a cumulative 15 consecutive-minute sample reading or by taking at least five (5) readings, evenly spaced out over the 15 consecutive-minute period. [District Rules 4305, 4306, and 4320] Federally Enforceable Through Title V Permit
42. The permittee shall maintain records of: (1) the date and time of NO_x, CO, and O₂ measurements, (2) the O₂ concentration in percent and the measured NO_x and CO concentrations corrected to 3% O₂, (3) make and model of exhaust gas analyzer, (4) exhaust gas analyzer calibration records, and (5) a description of any corrective action taken to maintain the emissions within the acceptable range. [District Rules 4305, 4306, and 4320] Federally Enforceable Through Title V Permit
43. Emissions for this unit shall be calculated using the arithmetic mean, pursuant to District Rule 1081 (amended December 16, 1993), of 3 thirty-minute test runs for NO_x and CO. This mean shall be multiplied by the appropriate factor. [District Rules 1081 and 2520, 9.4.2] Federally Enforceable Through Title V Permit

CONDITIONS CONTINUE ON NEXT PAGE

44. The following conditions must be met for representative units to be used to test for NO_x and CO emissions for a group of units: 1) all units are initially source tested and emissions from each unit in group are less than 90% of permitted value and vary 25% or less from the average of all runs, 2) all units in the group are similar in terms of heat input, make and series, operational conditions, fuel used, and control method, 3) the group is owned by a single owner and located at a single stationary source, and 4) the selection of the representative units is approved by the District prior to testing. [District Rule 2520, 9.4.2] Federally Enforceable Through Title V Permit
45. All units in a group for which representative units are annually source tested for NO_x and CO emissions shall have received the same maintenance and tune-up procedures as the representative units. [District Rule 2520, 9.4.2] Federally Enforceable Through Title V Permit
46. An operating log shall be maintained for each unit of the group. The log shall include, on a monthly basis, the total hours of operation, type and quantity of fuel used, and preventative and corrective maintenance and modifications performed. [District Rule 2520, 9.4.2] Federally Enforceable Through Title V Permit
47. The number of representative units source tested for NO_x and CO emissions shall be at least 30% of the total number of units in the group. The units included in the 30% shall be rotated such that in three years, all units in the entire group will have been tested at least once. [District Rule 2520, 9.4.2] Federally Enforceable Through Title V Permit
48. Should any of the representative units exceed the required emission limits of this permit, each of the unit in the group shall conduct emissions testing within 90 days of the failed test. (This requirement shall not supersede a more stringent NSR or PSD permit testing requirement.) [District Rule 2520, 9.4.2] Federally Enforceable Through Title V Permit
49. The following test methods shall be used: NO_x (ppmv) - EPA Method 7E or ARB Method 100, NO_x (lb/MMBtu) - EPA Method 19, CO (ppmv) - EPA Method 10 or ARB Method 100, stack gas oxygen - EPA Method 3 or 3A or ARB Method 100, SO_x (lb/MMBtu) - ARB Method 100 and EPA Method 19. [District Rules 1081, 4305, 4306, 6.2, and 4320] Federally Enforceable Through Title V Permit
50. Records of the daily amount of natural gas and TEOR gas combusted shall be maintained and shall be made readily available for District inspection upon request. [District NSR Rule] Federally Enforceable Through Title V Permit
51. Compliance with permit conditions in the Title V permit shall be deemed compliance with the following requirements of SJVUAPCD Rules 1081 (Amended December 16, 1993), 4201 (Amended December 17, 1992), and 4301 (Amended December 17, 1992). A permit shield is granted from these requirements. [District Rule 2520, 13.2] Federally Enforceable Through Title V Permit
52. This unit has not been used to produce electricity for sale in 1985 or on or after November 15, 1990. Therefore, the requirements of 40 CFR 72.6(b) do not apply to this source. A permit shield is granted from this requirement. [District Rule 2520, 13.2] Federally Enforceable Through Title V Permit
53. This unit is located west of interstate 5 in Kern county. Therefore, the requirements of District Rule 4351 (Amended October 19, 1995) do not apply to this source. A permit shield is granted from this requirement. [District Rule 2520, 13.2] Federally Enforceable Through Title V Permit



AUTHORITY TO CONSTRUCT

PERMIT NO: S-1246-378-0

ISSUANCE DATE: 11/08/2013

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

LOCATION: HEAVY OIL WESTERN STATIONARY SOURCE
KERN COUNTY, CA

EQUIPMENT DESCRIPTION:

85.0 MMBTU/HR NATURAL GAS, ETHANE-RICH NATURAL GAS AND OR TEOR GAS-FIRED STEAM GENERATOR WITH NORTH AMERICAN MODEL LE ULTRA LOW-NOX BURNER, FLUE GAS RECIRCULATION (FGR) SYSTEM, AND O2 CONTROLLER (MNDI-J431)

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. Prior to operating equipment under this Authority to Construct, permittee shall surrender NOX emission reduction credits for the following quantity of emissions: 1st quarter - 1002 lb, 2nd quarter - 1002 lb, 3rd quarter - 1002 lb, and fourth quarter - 1002 lb. These amounts include the applicable offset ratio specified in Rule 2201 Section 4.8 (as amended 4/21/11) for the ERC specified below. [District Rule 2201] Federally Enforceable Through Title V Permit
4. NOx ERC Certificate Numbers N-980-2, N981-2, S-3256-2, S-3962-2, S-3656-2, S-3970-2, S-4015-2, S-3913-2 and S-3915-2 (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] 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

S-1246-378-0; Nov 8 2013 8:07AM - TORID - Joint Inspection NOT Required

5. Prior to operating equipment under this Authority to Construct, permittee shall surrender SOX emission reduction credits for the following quantity of emissions: 1st quarter - 1201 lb, 2nd quarter - 1201 lb, 3rd quarter - 1201 lb, and fourth quarter - 1201 lb. These amounts include the applicable offset ratio specified in Rule 2201 Section 4.8 (as amended 4/21/11) for the ERC specified below. [District Rule 2201] Federally Enforceable Through Title V Permit
6. SOx ERC Certificate Number S-3980-5 (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] Federally Enforceable Through Title V Permit
7. Prior to operating equipment under this Authority to Construct, permittee shall surrender PM10 emission reduction credits for the following quantity of emissions: 1st quarter - 1396 lb, 2nd quarter - 1396 lb, 3rd quarter - 1396 lb, and fourth quarter - 1396 lb. These amounts include the applicable offset ratio specified in Rule 2201 Section 4.8 (as amended 4/21/11) for the ERC specified below. [District Rule 2201] Federally Enforceable Through Title V Permit
8. PM10 ERC Certificate Numbers C-1166-4, N-961-4, N-962-4, N-963-4, S-2480-4 and S-3624-4 (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] Federally Enforceable Through Title V Permit
9. No air contaminant shall be released into the atmosphere which causes a public nuisance. [District Rule 4102]
10. No air contaminant shall be discharged into the atmosphere for a period or periods aggregating more than three minutes in any one hour which is as dark as, or darker than, Ringelmann 1 or 20% opacity. [District Rule 4101] Federally Enforceable Through Title V Permit
11. All equipment shall be maintained in good operating condition and shall be operated in a manner to minimize emissions of air contaminants into the atmosphere. [District Rule 2201] Federally Enforceable Through Title V Permit
12. This unit shall be equipped with horizontal convection section with at least 235 square feet of bare tube surface area (or thermodynamically equivalent number of square feet of finned tube) per MMBtu/hr of heat input. [District Rule 2410] Federally Enforceable Through Title V Permit
13. This unit shall be equipped with variable frequency drive high efficiency electrical motors driving the blower and water pump. [District Rule 2410] Federally Enforceable Through Title V Permit
14. The unit shall only be fired on natural/TEOR/ethane-rich gas with a maximum sulfur content of 1.5 gr S/100scf. [District Rules 2201, 4301, and 4320] Federally Enforceable Through Title V Permit
15. At least quarterly, the permittee shall monitor using the methods specified in this permit the higher heating value of each non-certified fuel supplied to this unit, or, alternatively, have the higher heating value certified by the fuel supplier. The records of higher heating value and quantity of fuel combusted shall be used to demonstrate that the rated heat input capacity of this unit, as averaged over a calendar quarter, is not exceeded. [District Rules 2201] Federally Enforceable Through Title V Permit
16. The higher heating value of each non-certified fuel shall be certified by a third party fuel supplier or determined by ASTM D1826 or D1945 in conjunction with ASTM D 3588. [District Rules 2201 and 4320] Federally Enforceable Through Title V Permit
17. Except for periods of startup and shutdown, emissions from the natural gas-fired unit shall not exceed any of the following limits: 7 ppmvd NOx @ 3% O2 or 0.008 lb-NOx/MMBtu; 0.005 lb-PM10/MMBtu, 35 ppmvd CO @ 3% O2 or 0.026 lb-CO/MMBtu, or 0.0055 lb-VOC/MMBtu. [District Rules 2201, 4201, 4301, 4305, 4306, 4320, and 4801] Federally Enforceable Through Title V Permit
18. Duration of start-up or shutdown shall not exceed two hours each per occurrence. During start-up or shutdown, the emissions control system shall be in operation, and emissions shall be minimized insofar as technologically possible. The operator shall maintain daily records of the duration of start-up and shutdown periods. [District Rules 4305, 4306, and 4320] Federally Enforceable Through Title V Permit

CONDITIONS CONTINUE ON NEXT PAGE

19. Start-up is defined as the period of time during which a unit is brought from a shutdown status to its operating temperature and pressure, including the time required by the unit's emission control system to reach full operation. Shutdown is defined as the period of time during which a unit is taken from an operational to a non-operational status by allowing it to cool down from its operating temperature to ambient temperature as the fuel supply to the unit is completely turned off. [District Rules 4305, 4306, and 4320] Federally Enforceable Through Title V Permit
20. Source testing to measure natural gas-combustion NOx and CO emissions from this unit shall be conducted within 60 days of initial startup and at least once every twelve (12) months thereafter. After demonstrating compliance on two (2) consecutive annual source tests, the unit shall be tested not less than once every thirty-six (36) months. If the result of the 36-month source test demonstrates that the unit does not meet the applicable emission limits, the source testing frequency shall revert to at least once every twelve (12) months. [District Rules 2201, 4305, 4306, and 4320] Federally Enforceable Through Title V Permit
21. Permittee shall determine sulfur content of combusted gas annually or shall demonstrate that the combusted gas is provided from a PUC or FERC regulated source. [District Rules 1081 and 4320] Federally Enforceable Through Title V Permit
22. The source test plan shall identify which basis (ppmv or lb/MMBtu) will be used to demonstrate compliance. [District Rules 4305, 4306, and 4320] Federally Enforceable Through Title V Permit
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] Federally Enforceable Through Title V Permit
24. The results of each source test shall be submitted to the District within 60 days thereafter. [District Rule 1081] Federally Enforceable Through Title V Permit
25. NOx emissions for source test purposes shall be determined using EPA Method 7E or ARB Method 100 on a ppmv basis, or EPA Method 19 on a heat input basis. [District Rules 4305, 4306, and 4320] Federally Enforceable Through Title V Permit
26. CO emissions for source test purposes shall be determined using EPA Method 10 or ARB Method 100. [District Rules 4305, 4306, and 4320] Federally Enforceable Through Title V Permit
27. Stack gas oxygen (O2) shall be determined using EPA Method 3 or 3A or ARB Method 100. [District Rules 4305, 4306, and 4320] Federally Enforceable Through Title V Permit
28. Fuel sulfur content shall be determined using EPA Method 11 or Method 15. [District Rule 4320] Federally Enforceable Through Title V Permit
29. All emissions measurements shall be made with the unit operating either at conditions representative of normal operations or conditions specified in the Permit to Operate. No determination of compliance shall be established within two hours after a continuous period in which fuel flow to the unit is shut off for 30 minutes or longer, or within 30 minutes after a re-ignition as defined in Section 3.0 of District Rule 4306. [District Rules 4305, 4306, and 4320] Federally Enforceable Through Title V Permit
30. For emissions source testing, the arithmetic average of three 30-consecutive-minute test runs shall apply. If two of three runs are above an applicable limit the test cannot be used to demonstrate compliance with an applicable limit. [District Rules 4305, 4306, and 4320] Federally Enforceable Through Title V Permit
31. Permittee shall determine sulfur content of combusted gas weekly for eight consecutive weeks. After demonstrating compliance for eight consecutive weeks testing may be conducted on a quarterly basis. Weekly sulfur testing shall resume if quarterly testing does not indicate compliance. Weekly gas analysis shall be performed using Draeger tubes and quarterly analysis using ASTM method D3246 or double GC for H2S and mercaptans. First of the weekly gas analyses shall be done using laboratory analysis. [District Rules 1081 and 2201] Federally Enforceable Through Title V Permit
32. Compliance with fuel sulfur limit(s) can be demonstrated either by monitoring sulfur content at location(s) after all fuel sources are combined prior to incineration, or by monitoring the sulfur content and volume of each fuel source and performing mass balance calculations. Records of monitoring locations, detected sulfur concentrations, and mass balance calculations, if necessary, shall be maintained and kept onsite and made readily available for District inspection upon request. [District Rules 1081 and 2201] Federally Enforceable Through Title V Permit

CONDITIONS CONTINUE ON NEXT PAGE

33. The permittee shall monitor and record the stack concentration of NO_x, CO, and O₂ at least once every month (in which a source test is not performed) using a portable emission monitor that meets District specifications. Monitoring shall not be required if the unit is not in operation, i.e. the unit need not be started solely to perform monitoring. Monitoring shall be performed within 5 days of restarting the unit unless monitoring has been performed within the last month. [District Rules 4305, 4306, and 4320] Federally Enforceable Through Title V Permit
34. If either the NO_x or CO concentrations corrected to 3% O₂, as measured by the portable analyzer, exceed the allowable emissions concentration, the permittee shall return the emissions to within the acceptable range as soon as possible, but no longer than 1 hour of operation after detection. If the portable analyzer readings continue to exceed the allowable emissions concentration after 1 hour of operation after detection, the permittee shall notify the District within the following 1 hour and conduct a certified source test within 60 days of the first exceedance. In lieu of conducting a source test, the permittee may stipulate a violation has occurred, subject to enforcement action. The permittee must then correct the violation, show compliance has been re-established, and resume monitoring procedures. If the deviations are the result of a qualifying breakdown condition pursuant to Rule 1100, the permittee may fully comply with Rule 1100 in lieu of the performing the notification and testing required by this condition. [District Rules 4305, 4306, and 4320] Federally Enforceable Through Title V Permit
35. All alternate monitoring parameter emission readings shall be taken with the unit operating either at conditions representative of normal operations or conditions specified in the Permit to Operate. The analyzer shall be calibrated, maintained, and operated in accordance with the manufacturer's specifications and recommendations or a protocol approved by the APCO. Emission readings taken shall be averaged over a 15 consecutive-minute period by either taking a cumulative 15 consecutive-minute sample reading or by taking at least five (5) readings, evenly spaced out over the 15 consecutive-minute period. [District Rules 4305, 4306, and 4320] Federally Enforceable Through Title V Permit
36. The permittee shall maintain records of: (1) the date and time of NO_x, CO, and O₂ measurements, (2) the O₂ concentration in percent and the measured NO_x and CO concentrations corrected to 3% O₂, (3) make and model of exhaust gas analyzer, (4) exhaust gas analyzer calibration records, and (5) a description of any corrective action taken to maintain the emissions within the acceptable range. [District Rules 4305, 4306, and 4320] Federally Enforceable Through Title V Permit
37. All records shall be maintained and retained on-site for a minimum of five (5) years, and shall be made available for District inspection upon request. [District Rules 1070, 4305, 4306, 4320, and 40 CFR 60.48c(i)] Federally Enforceable Through Title V Permit
38. ATCs S-1246-19-33, '25-20, '253-19, '254-19 and '269-18 shall be implemented prior to or concurrently with this ATC. [District Rule 2201] Federally Enforceable Through Title V Permit
39. PTOs S-1246-185 and '186 shall be surrendered upon implementation of this ATC. [District Rule 2201] Federally Enforceable Through Title V Permit



AUTHORITY TO CONSTRUCT

PERMIT NO: S-1246-379-0

ISSUANCE DATE: 11/08/2013

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

LOCATION: HEAVY OIL WESTERN STATIONARY SOURCE
KERN COUNTY, CA

EQUIPMENT DESCRIPTION:

85.0 MMBTU/HR NATURAL GAS, ETHANE-RICH NATURAL GAS AND OR TEOR GAS-FIRED STEAM GENERATOR WITH NORTH AMERICAN MODEL LE ULTRA LOW-NOX BURNER, FLUE GAS RECIRCULATION (FGR) SYSTEM, AND O2 CONTROLLER (MNDI-J432)

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. Prior to operating equipment under this Authority to Construct, permittee shall surrender NOX emission reduction credits for the following quantity of emissions: 1st quarter - 1002 lb, 2nd quarter - 1002 lb, 3rd quarter - 1002 lb, and fourth quarter - 1002 lb. These amounts include the applicable offset ratio specified in Rule 2201 Section 4.8 (as amended 4/21/11) for the ERC specified below. [District Rule 2201] Federally Enforceable Through Title V Permit
4. NOx ERC Certificate Numbers N-980-2, N981-2, S-3256-2, S-3962-2, S-3656-2, S-3970-2, S-4015-2, S-3913-2 and S-3915-2 (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] 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

S-1246-379-0 : Nov 8 2013 8:07AM -- TORID : Joint Inspection NOT Required

5. Prior to operating equipment under this Authority to Construct, permittee shall surrender SOX emission reduction credits for the following quantity of emissions: 1st quarter - 1201 lb, 2nd quarter - 1201 lb, 3rd quarter - 1201 lb, and fourth quarter - 1201 lb. These amounts include the applicable offset ratio specified in Rule 2201 Section 4.8 (as amended 4/21/11) for the ERC specified below. [District Rule 2201] Federally Enforceable Through Title V Permit
6. SOx ERC Certificate Number S-3980-5 (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] Federally Enforceable Through Title V Permit
7. Prior to operating equipment under this Authority to Construct, permittee shall surrender PM10 emission reduction credits for the following quantity of emissions: 1st quarter - 1396 lb, 2nd quarter - 1396 lb, 3rd quarter - 1396 lb, and fourth quarter - 1396 lb. These amounts include the applicable offset ratio specified in Rule 2201 Section 4.8 (as amended 4/21/11) for the ERC specified below. [District Rule 2201] Federally Enforceable Through Title V Permit
8. PM10 ERC Certificate Numbers C-1166-4, N-961-4, N-962-4, N-963-4, S-2480-4 and S-3624-4 (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] Federally Enforceable Through Title V Permit
9. No air contaminant shall be released into the atmosphere which causes a public nuisance. [District Rule 4102]
10. No air contaminant shall be discharged into the atmosphere for a period or periods aggregating more than three minutes in any one hour which is as dark as, or darker than, Ringelmann 1 or 20% opacity. [District Rule 4101] Federally Enforceable Through Title V Permit
11. All equipment shall be maintained in good operating condition and shall be operated in a manner to minimize emissions of air contaminants into the atmosphere. [District Rule 2201] Federally Enforceable Through Title V Permit
12. This unit shall be equipped with horizontal convection section with at least 235 square feet of bare tube surface area (or thermodynamically equivalent number of square feet of finned tube) per MMBtu/hr of heat input. [District Rule 2410] Federally Enforceable Through Title V Permit
13. This unit shall be equipped with variable frequency drive high efficiency electrical motors driving the blower and water pump. [District Rule 2410] Federally Enforceable Through Title V Permit
14. The unit shall only be fired on natural/TEOR/ethane-rich gas with a maximum sulfur content of 1.5 gr S/100scf. [District Rules 2201, 4301, and 4320] Federally Enforceable Through Title V Permit
15. At least quarterly, the permittee shall monitor using the methods specified in this permit the higher heating value of each non-certified fuel supplied to this unit, or, alternatively, have the higher heating value certified by the fuel supplier. The records of higher heating value and quantity of fuel combusted shall be used to demonstrate that the rated heat input capacity of this unit, as averaged over a calendar quarter, is not exceeded. [District Rules 2201] Federally Enforceable Through Title V Permit
16. The higher heating value of each non-certified fuel shall be certified by a third party fuel supplier or determined by ASTM D1826 or D1945 in conjunction with ASTM D 3588. [District Rules 2201 and 4320] Federally Enforceable Through Title V Permit
17. Except for periods of startup and shutdown, emissions from the natural gas-fired unit shall not exceed any of the following limits: 7 ppmvd NOx @ 3% O2 or 0.008 lb-NOx/MMBtu, 0.005 lb-PM10/MMBtu, 35 ppmvd CO @ 3% O2 or 0.026 lb-CO/MMBtu, or 0.0055 lb-VOC/MMBtu. [District Rules 2201, 4201, 4301, 4305, 4306, 4320, and 4801] Federally Enforceable Through Title V Permit
18. Duration of start-up or shutdown shall not exceed two hours each per occurrence. During start-up or shutdown, the emissions control system shall be in operation, and emissions shall be minimized insofar as technologically possible. The operator shall maintain daily records of the duration of start-up and shutdown periods. [District Rules 4305, 4306, and 4320] Federally Enforceable Through Title V Permit

CONDITIONS CONTINUE ON NEXT PAGE

19. Start-up is defined as the period of time during which a unit is brought from a shutdown status to its operating temperature and pressure, including the time required by the unit's emission control system to reach full operation. Shutdown is defined as the period of time during which a unit is taken from an operational to a non-operational status by allowing it to cool down from its operating temperature to ambient temperature as the fuel supply to the unit is completely turned off. [District Rules 4305, 4306, and 4320] Federally Enforceable Through Title V Permit
20. Source testing to measure natural gas-combustion NOx and CO emissions from this unit shall be conducted within 60 days of initial startup and at least once every twelve (12) months thereafter. After demonstrating compliance on two (2) consecutive annual source tests, the unit shall be tested not less than once every thirty-six (36) months. If the result of the 36-month source test demonstrates that the unit does not meet the applicable emission limits, the source testing frequency shall revert to at least once every twelve (12) months. [District Rules 2201, 4305, 4306, and 4320] Federally Enforceable Through Title V Permit
21. Permittee shall determine sulfur content of combusted gas annually or shall demonstrate that the combusted gas is provided from a PUC or FERC regulated source. [District Rules 1081 and 4320] Federally Enforceable Through Title V Permit
22. The source test plan shall identify which basis (ppmv or lb/MMBtu) will be used to demonstrate compliance. [District Rules 4305, 4306, and 4320] Federally Enforceable Through Title V Permit
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] Federally Enforceable Through Title V Permit
24. The results of each source test shall be submitted to the District within 60 days thereafter. [District Rule 1081] Federally Enforceable Through Title V Permit
25. NOx emissions for source test purposes shall be determined using EPA Method 7E or ARB Method 100 on a ppmv basis, or EPA Method 19 on a heat input basis. [District Rules 4305, 4306, and 4320] Federally Enforceable Through Title V Permit
26. CO emissions for source test purposes shall be determined using EPA Method 10 or ARB Method 100. [District Rules 4305, 4306, and 4320] Federally Enforceable Through Title V Permit
27. Stack gas oxygen (O2) shall be determined using EPA Method 3 or 3A or ARB Method 100. [District Rules 4305, 4306, and 4320] Federally Enforceable Through Title V Permit
28. Fuel sulfur content shall be determined using EPA Method 11 or Method 15. [District Rule 4320] Federally Enforceable Through Title V Permit
29. All emissions measurements shall be made with the unit operating either at conditions representative of normal operations or conditions specified in the Permit to Operate. No determination of compliance shall be established within two hours after a continuous period in which fuel flow to the unit is shut off for 30 minutes or longer, or within 30 minutes after a re-ignition as defined in Section 3.0 of District Rule 4306. [District Rules 4305, 4306, and 4320] Federally Enforceable Through Title V Permit
30. For emissions source testing, the arithmetic average of three 30-consecutive-minute test runs shall apply. If two of three runs are above an applicable limit the test cannot be used to demonstrate compliance with an applicable limit. [District Rules 4305, 4306, and 4320] Federally Enforceable Through Title V Permit
31. Permittee shall determine sulfur content of combusted gas weekly for eight consecutive weeks. After demonstrating compliance for eight consecutive weeks testing may be conducted on a quarterly basis. Weekly sulfur testing shall resume if quarterly testing does not indicate compliance. Weekly gas analysis shall be performed using Draeger tubes and quarterly analysis using ASTM method D3246 or double GC for H2S and mercaptans. First of the weekly gas analyses shall be done using laboratory analysis. [District Rules 1081 and 2201] Federally Enforceable Through Title V Permit
32. Compliance with fuel sulfur limit(s) can be demonstrated either by monitoring sulfur content at location(s) after all fuel sources are combined prior to incineration, or by monitoring the sulfur content and volume of each fuel source and performing mass balance calculations. Records of monitoring locations, detected sulfur concentrations, and mass balance calculations, if necessary, shall be maintained and kept onsite and made readily available for District inspection upon request. [District Rules 1081 and 2201] Federally Enforceable Through Title V Permit

CONDITIONS CONTINUE ON NEXT PAGE

33. The permittee shall monitor and record the stack concentration of NO_x, CO, and O₂ at least once every month (in which a source test is not performed) using a portable emission monitor that meets District specifications. Monitoring shall not be required if the unit is not in operation, i.e. the unit need not be started solely to perform monitoring. Monitoring shall be performed within 5 days of restarting the unit unless monitoring has been performed within the last month. [District Rules 4305, 4306, and 4320] Federally Enforceable Through Title V Permit
34. If either the NO_x or CO concentrations corrected to 3% O₂, as measured by the portable analyzer, exceed the allowable emissions concentration, the permittee shall return the emissions to within the acceptable range as soon as possible, but no longer than 1 hour of operation after detection. If the portable analyzer readings continue to exceed the allowable emissions concentration after 1 hour of operation after detection, the permittee shall notify the District within the following 1 hour and conduct a certified source test within 60 days of the first exceedance. In lieu of conducting a source test, the permittee may stipulate a violation has occurred, subject to enforcement action. The permittee must then correct the violation, show compliance has been re-established, and resume monitoring procedures. If the deviations are the result of a qualifying breakdown condition pursuant to Rule 1100, the permittee may fully comply with Rule 1100 in lieu of the performing the notification and testing required by this condition. [District Rules 4305, 4306, and 4320] Federally Enforceable Through Title V Permit
35. All alternate monitoring parameter emission readings shall be taken with the unit operating either at conditions representative of normal operations or conditions specified in the Permit to Operate. The analyzer shall be calibrated, maintained, and operated in accordance with the manufacturer's specifications and recommendations or a protocol approved by the APCO. Emission readings taken shall be averaged over a 15 consecutive-minute period by either taking a cumulative 15 consecutive-minute sample reading or by taking at least five (5) readings, evenly spaced out over the 15 consecutive-minute period. [District Rules 4305, 4306, and 4320] Federally Enforceable Through Title V Permit
36. The permittee shall maintain records of: (1) the date and time of NO_x, CO, and O₂ measurements, (2) the O₂ concentration in percent and the measured NO_x and CO concentrations corrected to 3% O₂, (3) make and model of exhaust gas analyzer, (4) exhaust gas analyzer calibration records, and (5) a description of any corrective action taken to maintain the emissions within the acceptable range. [District Rules 4305, 4306, and 4320] Federally Enforceable Through Title V Permit
37. All records shall be maintained and retained on-site for a minimum of five (5) years, and shall be made available for District inspection upon request. [District Rules 1070, 4305, 4306, 4320, and 40 CFR 60.48c(i)] Federally Enforceable Through Title V Permit
38. ATCs S-1246-19-33, '25-20, '253-19, '254-19 and '269-18 shall be implemented prior to or concurrently with this ATC. [District Rule 2201] Federally Enforceable Through Title V Permit
39. PTOs S-1246-185 and '186 shall be surrendered upon implementation of this ATC. [District Rule 2201] Federally Enforceable Through Title V Permit



AUTHORITY TO CONSTRUCT

PERMIT NO: S-1246-380-0

ISSUANCE DATE: 11/08/2013

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

LOCATION: HEAVY OIL WESTERN STATIONARY SOURCE
KERN COUNTY, CA

EQUIPMENT DESCRIPTION:

85.0 MMBTU/HR PCL NATURAL GAS, ETHANE-RICH NATURAL GAS AND OR TEOR GAS-FIRED STEAM GENERATOR WITH NORTH AMERICAN MODEL LE ULTRA LOW-NOX BURNER, FLUE GAS RECIRCULATION (FGR) SYSTEM, AND O2 CONTROLLER (MNDI-J433)

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. Prior to operating equipment under this Authority to Construct, permittee shall surrender NOX emission reduction credits for the following quantity of emissions: 1st quarter - 1002 lb, 2nd quarter - 1002 lb, 3rd quarter - 1002 lb, and fourth quarter - 1002 lb. These amounts include the applicable offset ratio specified in Rule 2201 Section 4.8 (as amended 4/21/11) for the ERC specified below. [District Rule 2201] Federally Enforceable Through Title V Permit
4. NOx ERC Certificate Numbers N-980-2, N981-2, S-3256-2, S-3962-2, S-3656-2, S-3970-2, S-4015-2, S-3913-2 and S-3915-2 (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] 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

S-1246-380-0; Nov 8 2013 8:07AM - TORID - Joint Inspection NOT Required

5. Prior to operating equipment under this Authority to Construct, permittee shall surrender SOX emission reduction credits for the following quantity of emissions: 1st quarter - 1201 lb, 2nd quarter - 1201 lb, 3rd quarter - 1201 lb, and fourth quarter - 1201 lb. These amounts include the applicable offset ratio specified in Rule 2201 Section 4.8 (as amended 4/21/11) for the ERC specified below. [District Rule 2201] Federally Enforceable Through Title V Permit
6. SOx ERC Certificate Number S-3980-5 (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] Federally Enforceable Through Title V Permit
7. Prior to operating equipment under this Authority to Construct, permittee shall surrender PM10 emission reduction credits for the following quantity of emissions: 1st quarter - 1396 lb, 2nd quarter - 1396 lb, 3rd quarter - 1396 lb, and fourth quarter - 1396 lb. These amounts include the applicable offset ratio specified in Rule 2201 Section 4.8 (as amended 4/21/11) for the ERC specified below. [District Rule 2201] Federally Enforceable Through Title V Permit
8. PM10 ERC Certificate Numbers C-1166-4, N-961-4, N-962-4, N-963-4, S-2480-4 and S-3624-4 (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] Federally Enforceable Through Title V Permit
9. No air contaminant shall be released into the atmosphere which causes a public nuisance. [District Rule 4102]
10. No air contaminant shall be discharged into the atmosphere for a period or periods aggregating more than three minutes in any one hour which is as dark as, or darker than, Ringelmann 1 or 20% opacity. [District Rule 4101] Federally Enforceable Through Title V Permit
11. All equipment shall be maintained in good operating condition and shall be operated in a manner to minimize emissions of air contaminants into the atmosphere. [District Rule 2201] Federally Enforceable Through Title V Permit
12. This unit shall be equipped with horizontal convection section with at least 235 square feet of bare tube surface area (or thermodynamically equivalent number of square feet of finned tube) per MMBtu/hr of heat input. [District Rule 2410] Federally Enforceable Through Title V Permit
13. This unit shall be equipped with variable frequency drive high efficiency electrical motors driving the blower and water pump. [District Rule 2410] Federally Enforceable Through Title V Permit
14. The unit shall only be fired on natural/TEOR/ethane-rich gas with a maximum sulfur content of 1.5 gr S/100scf. [District Rules 2201, 4301, and 4320] Federally Enforceable Through Title V Permit
15. At least quarterly, the permittee shall monitor using the methods specified in this permit the higher heating value of each non-certified fuel supplied to this unit, or, alternatively, have the higher heating value certified by the fuel supplier. The records of higher heating value and quantity of fuel combusted shall be used to demonstrate that the rated heat input capacity of this unit, as averaged over a calendar quarter, is not exceeded. [District Rules 2201] Federally Enforceable Through Title V Permit
16. The higher heating value of each non-certified fuel shall be certified by a third party fuel supplier or determined by ASTM D1826 or D1945 in conjunction with ASTM D 3588. [District Rules 2201 and 4320] Federally Enforceable Through Title V Permit
17. Except for periods of startup and shutdown, emissions from the natural gas-fired unit shall not exceed any of the following limits: 7 ppmvd NOx @ 3% O2 or 0.008 lb-NOx/MMBtu, 0.005 lb-PM10/MMBtu, 35 ppmvd CO @ 3% O2 or 0.026 lb-CO/MMBtu, or 0.0055 lb-VOC/MMBtu. [District Rules 2201, 4201, 4301, 4305, 4306, 4320, and 4801] Federally Enforceable Through Title V Permit
18. Duration of start-up or shutdown shall not exceed two hours each per occurrence. During start-up or shutdown, the emissions control system shall be in operation, and emissions shall be minimized insofar as technologically possible. The operator shall maintain daily records of the duration of start-up and shutdown periods. [District Rules 4305, 4306, and 4320] Federally Enforceable Through Title V Permit

CONDITIONS CONTINUE ON NEXT PAGE

19. Start-up is defined as the period of time during which a unit is brought from a shutdown status to its operating temperature and pressure, including the time required by the unit's emission control system to reach full operation. Shutdown is defined as the period of time during which a unit is taken from an operational to a non-operational status by allowing it to cool down from its operating temperature to ambient temperature as the fuel supply to the unit is completely turned off. [District Rules 4305, 4306, and 4320] Federally Enforceable Through Title V Permit
20. Source testing to measure natural gas-combustion NOx and CO emissions from this unit shall be conducted within 60 days of initial startup and at least once every twelve (12) months thereafter. After demonstrating compliance on two (2) consecutive annual source tests, the unit shall be tested not less than once every thirty-six (36) months. If the result of the 36-month source test demonstrates that the unit does not meet the applicable emission limits, the source testing frequency shall revert to at least once every twelve (12) months. [District Rules 2201, 4305, 4306, and 4320] Federally Enforceable Through Title V Permit
21. Permittee shall determine sulfur content of combusted gas annually or shall demonstrate that the combusted gas is provided from a PUC or FERC regulated source. [District Rules 1081 and 4320] Federally Enforceable Through Title V Permit
22. The source test plan shall identify which basis (ppmv or lb/MMBtu) will be used to demonstrate compliance. [District Rules 4305, 4306, and 4320] Federally Enforceable Through Title V Permit
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] Federally Enforceable Through Title V Permit
24. The results of each source test shall be submitted to the District within 60 days thereafter. [District Rule 1081] Federally Enforceable Through Title V Permit
25. NOx emissions for source test purposes shall be determined using EPA Method 7E or ARB Method 100 on a ppmv basis, or EPA Method 19 on a heat input basis. [District Rules 4305, 4306, and 4320] Federally Enforceable Through Title V Permit
26. CO emissions for source test purposes shall be determined using EPA Method 10 or ARB Method 100. [District Rules 4305, 4306, and 4320] Federally Enforceable Through Title V Permit
27. Stack gas oxygen (O2) shall be determined using EPA Method 3 or 3A or ARB Method 100. [District Rules 4305, 4306, and 4320] Federally Enforceable Through Title V Permit
28. Fuel sulfur content shall be determined using EPA Method 11 or Method 15. [District Rule 4320] Federally Enforceable Through Title V Permit
29. All emissions measurements shall be made with the unit operating either at conditions representative of normal operations or conditions specified in the Permit to Operate. No determination of compliance shall be established within two hours after a continuous period in which fuel flow to the unit is shut off for 30 minutes or longer, or within 30 minutes after a re-ignition as defined in Section 3.0 of District Rule 4306. [District Rules 4305, 4306, and 4320] Federally Enforceable Through Title V Permit
30. For emissions source testing, the arithmetic average of three 30-consecutive-minute test runs shall apply. If two of three runs are above an applicable limit the test cannot be used to demonstrate compliance with an applicable limit. [District Rules 4305, 4306, and 4320] Federally Enforceable Through Title V Permit
31. Permittee shall determine sulfur content of combusted gas weekly for eight consecutive weeks. After demonstrating compliance for eight consecutive weeks testing may be conducted on a quarterly basis. Weekly sulfur testing shall resume if quarterly testing does not indicate compliance. Weekly gas analysis shall be performed using Draeger tubes and quarterly analysis using ASTM method D3246 or double GC for H2S and mercaptans. First of the weekly gas analyses shall be done using laboratory analysis. [District Rules 1081 and 2201] Federally Enforceable Through Title V Permit
32. Compliance with fuel sulfur limit(s) can be demonstrated either by monitoring sulfur content at location(s) after all fuel sources are combined prior to incineration, or by monitoring the sulfur content and volume of each fuel source and performing mass balance calculations. Records of monitoring locations, detected sulfur concentrations, and mass balance calculations, if necessary, shall be maintained and kept onsite and made readily available for District inspection upon request. [District Rules 1081 and 2201] Federally Enforceable Through Title V Permit

CONDITIONS CONTINUE ON NEXT PAGE

33. The permittee shall monitor and record the stack concentration of NO_x, CO, and O₂ at least once every month (in which a source test is not performed) using a portable emission monitor that meets District specifications. Monitoring shall not be required if the unit is not in operation, i.e. the unit need not be started solely to perform monitoring. Monitoring shall be performed within 5 days of restarting the unit unless monitoring has been performed within the last month. [District Rules 4305, 4306, and 4320] Federally Enforceable Through Title V Permit
34. If either the NO_x or CO concentrations corrected to 3% O₂, as measured by the portable analyzer, exceed the allowable emissions concentration, the permittee shall return the emissions to within the acceptable range as soon as possible, but no longer than 1 hour of operation after detection. If the portable analyzer readings continue to exceed the allowable emissions concentration after 1 hour of operation after detection, the permittee shall notify the District within the following 1 hour and conduct a certified source test within 60 days of the first exceedance. In lieu of conducting a source test, the permittee may stipulate a violation has occurred, subject to enforcement action. The permittee must then correct the violation, show compliance has been re-established, and resume monitoring procedures. If the deviations are the result of a qualifying breakdown condition pursuant to Rule 1100, the permittee may fully comply with Rule 1100 in lieu of the performing the notification and testing required by this condition. [District Rules 4305, 4306, and 4320] Federally Enforceable Through Title V Permit
35. All alternate monitoring parameter emission readings shall be taken with the unit operating either at conditions representative of normal operations or conditions specified in the Permit to Operate. The analyzer shall be calibrated, maintained, and operated in accordance with the manufacturer's specifications and recommendations or a protocol approved by the APCO. Emission readings taken shall be averaged over a 15 consecutive-minute period by either taking a cumulative 15 consecutive-minute sample reading or by taking at least five (5) readings, evenly spaced out over the 15 consecutive-minute period. [District Rules 4305, 4306, and 4320] Federally Enforceable Through Title V Permit
36. The permittee shall maintain records of: (1) the date and time of NO_x, CO, and O₂ measurements, (2) the O₂ concentration in percent and the measured NO_x and CO concentrations corrected to 3% O₂, (3) make and model of exhaust gas analyzer, (4) exhaust gas analyzer calibration records, and (5) a description of any corrective action taken to maintain the emissions within the acceptable range. [District Rules 4305, 4306, and 4320] Federally Enforceable Through Title V Permit
37. All records shall be maintained and retained on-site for a minimum of five (5) years, and shall be made available for District inspection upon request. [District Rules 1070, 4305, 4306, 4320, and 40 CFR 60.48c(i)] Federally Enforceable Through Title V Permit
38. ATCs S-1246-19-33, '25-20, '253-19, '254-19 and '269-18 shall be implemented prior to or concurrently with this ATC. [District Rule 2201] Federally Enforceable Through Title V Permit
39. PTOs S-1246-185 and '186 shall be surrendered upon implementation of this ATC. [District Rule 2201] Federally Enforceable Through Title V Permit



AUTHORITY TO CONSTRUCT

PERMIT NO: S-1246-381-0

ISSUANCE DATE: 11/08/2013

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

LOCATION: HEAVY OIL WESTERN STATIONARY SOURCE
KERN COUNTY, CA

EQUIPMENT DESCRIPTION:

85.0 MMBTU/HR PCL NATURAL GAS, ETHANE-RICH NATURAL GAS AND OR TEOR GAS-FIRED STEAM GENERATOR WITH NORTH AMERICAN MODEL LE ULTRA LOW-NOX BURNER, FLUE GAS RECIRCULATION (FGR) SYSTEM, AND O2 CONTROLLER (MNDI-J434)

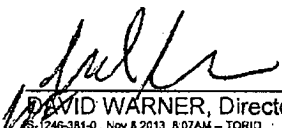
CONDITIONS

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. Prior to operating equipment under this Authority to Construct, permittee shall surrender NOX emission reduction credits for the following quantity of emissions: 1st quarter - 1002 lb, 2nd quarter - 1002 lb, 3rd quarter - 1002 lb, and fourth quarter - 1002 lb. These amounts include the applicable offset ratio specified in Rule 2201 Section 4.8 (as amended 4/21/11) for the ERC specified below. [District Rule 2201] Federally Enforceable Through Title V Permit
4. NOx ERC Certificate Numbers N-980-2, N981-2, S-3256-2, S-3962-2, S-3656-2, S-3970-2, S-4015-2, S-3913-2 and S-3915-2 (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] Federally Enforceable Through Title V Permit

CONDITIONS CONTINUE ON NEXT PAGE

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

Sayed Sadredin, Executive Director / APCO



DAVID WARNER, Director of Permit Services

S-1246-381-0, Nov 8 2013 8:07AM - TORID : Joint Inspection NOT Required

5. Prior to operating equipment under this Authority to Construct, permittee shall surrender SOX emission reduction credits for the following quantity of emissions: 1st quarter - 1201 lb, 2nd quarter - 1201 lb, 3rd quarter - 1201 lb, and fourth quarter - 1201 lb. These amounts include the applicable offset ratio specified in Rule 2201 Section 4.8 (as amended 4/21/11) for the ERC specified below. [District Rule 2201] Federally Enforceable Through Title V Permit
6. SOx ERC Certificate Number S-3980-5 (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] Federally Enforceable Through Title V Permit
7. Prior to operating equipment under this Authority to Construct, permittee shall surrender PM10 emission reduction credits for the following quantity of emissions: 1st quarter - 1396 lb, 2nd quarter - 1396 lb, 3rd quarter - 1396 lb, and fourth quarter - 1396 lb. These amounts include the applicable offset ratio specified in Rule 2201 Section 4.8 (as amended 4/21/11) for the ERC specified below. [District Rule 2201] Federally Enforceable Through Title V Permit
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12. This unit shall be equipped with horizontal convection section with at least 235 square feet of bare tube surface area (or thermodynamically equivalent number of square feet of finned tube) per MMBtu/hr of heat input. [District Rule 2410] Federally Enforceable Through Title V Permit
13. This unit shall be equipped with variable frequency drive high efficiency electrical motors driving the blower and water pump. [District Rule 2410] Federally Enforceable Through Title V Permit
14. The unit shall only be fired on natural/TEOR/ethane-rich gas with a maximum sulfur content of 1.5 gr S/100scf. [District Rules 2201, 4301, and 4320] Federally Enforceable Through Title V Permit
15. At least quarterly, the permittee shall monitor using the methods specified in this permit the higher heating value of each non-certified fuel supplied to this unit, or, alternatively, have the higher heating value certified by the fuel supplier. The records of higher heating value and quantity of fuel combusted shall be used to demonstrate that the rated heat input capacity of this unit, as averaged over a calendar quarter, is not exceeded. [District Rules 2201] Federally Enforceable Through Title V Permit
16. The higher heating value of each non-certified fuel shall be certified by a third party fuel supplier or determined by ASTM D1826 or D1945 in conjunction with ASTM D 3588. [District Rules 2201 and 4320] Federally Enforceable Through Title V Permit
17. Except for periods of startup and shutdown, emissions from the natural gas-fired unit shall not exceed any of the following limits: 7 ppmvd NOx @ 3% O2 or 0.008 lb-NOx/MMBtu, 0.005 lb-PM10/MMBtu, 35 ppmvd CO @ 3% O2 or 0.026 lb-CO/MMBtu, or 0.0055 lb-VOC/MMBtu. [District Rules 2201, 4201, 4301, 4305, 4306, 4320, and 4801] Federally Enforceable Through Title V Permit
18. Duration of start-up or shutdown shall not exceed two hours each per occurrence. During start-up or shutdown, the emissions control system shall be in operation, and emissions shall be minimized insofar as technologically possible. The operator shall maintain daily records of the duration of start-up and shutdown periods. [District Rules 4305, 4306, and 4320] Federally Enforceable Through Title V Permit

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19. Start-up is defined as the period of time during which a unit is brought from a shutdown status to its operating temperature and pressure, including the time required by the unit's emission control system to reach full operation. Shutdown is defined as the period of time during which a unit is taken from an operational to a non-operational status by allowing it to cool down from its operating temperature to ambient temperature as the fuel supply to the unit is completely turned off. [District Rules 4305, 4306, and 4320] Federally Enforceable Through Title V Permit
20. Source testing to measure natural gas-combustion NOx and CO emissions from this unit shall be conducted within 60 days of initial startup and at least once every twelve (12) months thereafter. After demonstrating compliance on two (2) consecutive annual source tests, the unit shall be tested not less than once every thirty-six (36) months. If the result of the 36-month source test demonstrates that the unit does not meet the applicable emission limits, the source testing frequency shall revert to at least once every twelve (12) months. [District Rules 2201, 4305, 4306, and 4320] Federally Enforceable Through Title V Permit
21. Permittee shall determine sulfur content of combusted gas annually or shall demonstrate that the combusted gas is provided from a PUC or FERC regulated source. [District Rules 1081 and 4320] Federally Enforceable Through Title V Permit
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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] Federally Enforceable Through Title V Permit
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25. NOx emissions for source test purposes shall be determined using EPA Method 7E or ARB Method 100 on a ppmv basis, or EPA Method 19 on a heat input basis. [District Rules 4305, 4306, and 4320] Federally Enforceable Through Title V Permit
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29. All emissions measurements shall be made with the unit operating either at conditions representative of normal operations or conditions specified in the Permit to Operate. No determination of compliance shall be established within two hours after a continuous period in which fuel flow to the unit is shut off for 30 minutes or longer, or within 30 minutes after a re-ignition as defined in Section 3.0 of District Rule 4306. [District Rules 4305, 4306, and 4320] Federally Enforceable Through Title V Permit
30. For emissions source testing, the arithmetic average of three 30-consecutive-minute test runs shall apply. If two of three runs are above an applicable limit the test cannot be used to demonstrate compliance with an applicable limit. [District Rules 4305, 4306, and 4320] Federally Enforceable Through Title V Permit
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32. Compliance with fuel sulfur limit(s) can be demonstrated either by monitoring sulfur content at location(s) after all fuel sources are combined prior to incineration, or by monitoring the sulfur content and volume of each fuel source and performing mass balance calculations. Records of monitoring locations, detected sulfur concentrations, and mass balance calculations, if necessary, shall be maintained and kept onsite and made readily available for District inspection upon request. [District Rules 1081 and 2201] Federally Enforceable Through Title V Permit

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33. The permittee shall monitor and record the stack concentration of NO_x, CO, and O₂ at least once every month (in which a source test is not performed) using a portable emission monitor that meets District specifications. Monitoring shall not be required if the unit is not in operation, i.e. the unit need not be started solely to perform monitoring. Monitoring shall be performed within 5 days of restarting the unit unless monitoring has been performed within the last month. [District Rules 4305, 4306, and 4320] Federally Enforceable Through Title V Permit
34. If either the NO_x or CO concentrations corrected to 3% O₂, as measured by the portable analyzer, exceed the allowable emissions concentration, the permittee shall return the emissions to within the acceptable range as soon as possible, but no longer than 1 hour of operation after detection. If the portable analyzer readings continue to exceed the allowable emissions concentration after 1 hour of operation after detection, the permittee shall notify the District within the following 1 hour and conduct a certified source test within 60 days of the first exceedance. In lieu of conducting a source test, the permittee may stipulate a violation has occurred, subject to enforcement action. The permittee must then correct the violation, show compliance has been re-established, and resume monitoring procedures. If the deviations are the result of a qualifying breakdown condition pursuant to Rule 1100, the permittee may fully comply with Rule 1100 in lieu of the performing the notification and testing required by this condition. [District Rules 4305, 4306, and 4320] Federally Enforceable Through Title V Permit
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