



San Joaquin Valley

AIR POLLUTION CONTROL DISTRICT



HEALTHY AIR LIVING™

JAN 30 2014

Chad Hathaway
Hathaway, LLC
PO Box 31385
Bakersfield, CA 93380

RE: Notice of Final Action - Authority to Construct
Facility Number: S-6509
Project Number: S-1134631

Dear Mr. Hathaway:

The Air Pollution Control Officer has issued the Authority to Construct permits to Hathaway, LLC for installation of one (1) 1,000 bbl crude oil storage tank and a reduction in throughput limit of tank S-6509-11, at Section 28, T29S, R29E within Hathaway, LLC's heavy oil central stationary source. 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 December 26, 2013. The District's analysis of the proposal was also sent to CARB on December 23, 2013. 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:RUE/st

Enclosures

cc: Mike Tollstrup, CARB (w/enclosure) via email
Seyed Sadeghin
Executive Director/Air Pollution Control Officer

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

Central Region (Main Office)
1990 E. Gettysburg Avenue
Fresno, CA 93726-0244
Tel: (559) 230-6000 FAX: (559) 230-6061

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



San Joaquin Valley
AIR POLLUTION CONTROL DISTRICT



AUTHORITY TO CONSTRUCT

PERMIT NO: S-6509-11-3

ISSUANCE DATE: 01/27/2014

LEGAL OWNER OR OPERATOR: HATHAWAY LLC
MAILING ADDRESS: PO BOX 81385
BAKERSFIELD, CA 93380-1385

LOCATION: HEAVY OIL CENTRAL

SECTION: NW15 **TOWNSHIP:** 25S **RANGE:** 27E

EQUIPMENT DESCRIPTION:

MODIFICATION OF 1,000 BBL BOLTED, FIXED ROOF SHIPPING/STOCK TANK WITH P/V VENT -- (QUINN LEASE):
REDUCE THROUGHPUT TO 675 BBL PER DAY

CONDITIONS

1. To maintain status as a small producer, permittee's crude oil production shall average less than 6000 bbl/day from all operations within Kern County and permittee shall not engage in refining, transporting, or marketing of refined petroleum products. [District Rules 3020 and 4623]
2. Throughput shall not exceed 675 bbl/day. [District Rule 2201]
3. This tank shall only store, place, or hold organic liquid with a true vapor pressure (TVP) of less than 0.5 psia under all storage conditions. [District Rules 2201 and 4623]
4. Permittee shall conduct true vapor pressure (TVP) testing of the organic liquid stored in this tank at least once every 24 months during summer (July - September), and/or whenever there is a change in the source or type of organic liquid stored in this tank in order to maintain exemption from the rule. [District Rule 4623]
5. The API gravity of crude oil or petroleum distillate shall be determined by using ASTM Method D 287 e1 "Standard Test Method for API Gravity of Crude Petroleum and Petroleum Products (Hydrometer Method). Sampling for API gravity shall be performed in accordance with ASTM Method D 4057 "Standard Practices for Manual Sampling of Petroleum and Petroleum Products." [District Rule 4623]
6. For crude oil with an API gravity of 26 degrees or less, the TVP shall be determined using the latest version of the Lawrence Berkeley National Laboratory "test Method for Vapor pressure of Reactive Organic Compounds in Heavy Crude Oil Using Gas Chromatograph", as approved by ARB and EPA. [District Rule 4623]

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-6509-11-3: Jan 27 2014 3:10PM - EDGEHILL : Joint Inspection NOT Required

7. The TVP testing shall be conducted at actual storage temperature of the organic liquid in the tank. The permittee shall also conduct an API gravity testing. [District Rule 4623]
8. Instead of testing each uncontrolled fixed roof tank, the permittee may conduct a TVP test of the organic liquid stored in a representative tank provided the requirements of Sections 6.2.1.1.1 through 6.2.1.1.5 of Rule 4623 are met. [District Rule 4623]
9. Permittee shall maintain monthly records of average daily crude oil throughput and shall keep accurate records of each organic liquid stored in the tank, including its storage temperature, TVP, and API gravity. [District Rules 2201 and 4623]
10. All records required to be maintained by this permit shall be maintained for a period of at least five years and shall be made readily available for District inspection upon request. [District Rules 1070 and 4623]



San Joaquin Valley
AIR POLLUTION CONTROL DISTRICT



AUTHORITY TO CONSTRUCT

PERMIT NO: S-6509-34-0

ISSUANCE DATE: 01/27/2014

LEGAL OWNER OR OPERATOR: HATHAWAY LLC
MAILING ADDRESS: PO BOX 81385
BAKERSFIELD, CA 93380-1385

LOCATION: HEAVY OIL CENTRAL

SECTION: 28 **TOWNSHIP:** 29S **RANGE:** 29E

EQUIPMENT DESCRIPTION:
ONE 1000 BBL CRUDE OIL STOCK TANK

CONDITIONS

1. To maintain status as a small producer, permittee's crude oil production shall average less than 6000 bbl/day from all operations within Kern County and permittee shall not engage in refining, transporting, or marketing of refined petroleum products. [District Rules 3020 and 4623]
2. Throughput shall not exceed 50 bbl/day. [District Rules 2201 and 4623]
3. This tank shall only store, place, or hold organic liquid with a true vapor pressure (TVP) of less than 0.5 psia under all storage conditions. [District Rule 2201]
4. The tank shall be equipped with a fixed roof with no holes or openings. [District Rule 2201]
5. This tank shall be equipped with a pressure-vacuum (PV) relief valve set to within 10% of the maximum allowable working pressure of the tank, permanently labeled with the operating pressure settings, properly maintained in good operating order in accordance with the manufacturer's instructions. [District Rule 2201]
6. Permittee shall conduct true vapor pressure (TVP) testing of the organic liquid stored in this tank upon initial start-up, at least once every 24 months during summer (July - September), and/or whenever there is a change in the source or type of organic liquid stored in this tank in order to maintain exemption from the rule. [District Rule 2201 and 4623]
7. The TVP testing shall be conducted at actual storage temperature of the organic liquid in the tank. [District Rule 4623]

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-6509-34-0 : Jan 27 2014 3:10PM - EDGEHILL : Jord Inspection NOT Required

8. For crude oil with an API gravity of 26 degrees or less, the TVP shall be determined using the latest version of the Lawrence Berkeley National Laboratory "Test Method for Vapor pressure of Reactive Organic Compounds in Heavy Crude Oil Using Gas Chromatograph", as approved by ARB and EPA. [District Rule 2201 and 4623]
9. The API gravity of crude oil or petroleum distillate shall be determined by using ASTM Method D 287 e1 "Standard Test Method for API Gravity of Crude Petroleum and Petroleum Products (Hydrometer Method). Sampling for API gravity shall be performed in accordance with ASTM Method D 4057 "Standard Practices for Manual Sampling of Petroleum and Petroleum Products". [District Rule 2201 and 4623]
10. Permittee shall maintain monthly records of average daily crude oil throughput and shall keep accurate records of each organic liquid stored in the tank, including its storage temperature, TVP, and API gravity. [District Rules 2201 and 4623]
11. All records required to be maintained by this permit shall be maintained for a period of at least five years and shall be made readily available for District inspection upon request. [District Rules 1070 and 4623]
12. ATC S-6509-11-3 shall be implemented prior to or concurrently with this ATC. [District Rule 2201]