



San Joaquin Valley
AIR POLLUTION CONTROL DISTRICT



APR 21 2014

Mr. John Ludwick
Aera Energy LLC
PO Box 11164
Bakersfield, CA 93389

**Re: Final - Authority to Construct / COC (Significant Mod)
District Facility # S-1547 and S-1548
Project # 1133652 and 1133661**

Dear Mr. Ludwick:

The Air Pollution Control Officer has issued Authorities to Construct (S-1547-1337-0 and S-1548-621-0) with Certificates of Conformity to Aera Energy LLC at Dehy 20 within the heavy and light oil production stationary sources in the Kern County field. The project authorizes installation of a 6,500 gallon chemical storage tank to be permitted in both S-1547 and S-1548 and resulting in an increase of 1512 lb VOC/yr. Enclosed are the Authorities to Construct 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 permit was published on March 17, 2014. The District's analysis of the proposal was also sent to CARB and US EPA Region IX on March 12, 2014. No comments were received following the District's preliminary decision on this project.

Prior to operating with modifications authorized by the Authority to Construct, you must submit an application to modify the Title V permit as an administrative amendment in accordance with District Rule 2520, Section 11.5.

Mr. John Ludwick
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Thank you for your cooperation in this matter. If you have any questions, please contact Mr. Leonard Scandura, Permit Services Manager, at (661) 392-5500.

Sincerely,



Arnaud Marjollet
Director of Permit Services

Enclosures

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



AUTHORITY TO CONSTRUCT

PERMIT NO: S-1547-1337-0

ISSUANCE DATE: 04/17/2014

LEGAL OWNER OR OPERATOR: AERA ENERGY LLC
MAILING ADDRESS: PO BOX 11164
BAKERSFIELD, CA 93389-1164

LOCATION: HEAVY OIL WESTERN STATIONARY SOURCE
KERN COUNTY, CA

SECTION: 20 TOWNSHIP: 28S RANGE: 21E

EQUIPMENT DESCRIPTION:
6500 GALLON CHEMICAL STORAGE TANK WITH P/V VALVE AND LIQUID LOADOUT OPERATION (ALSO PERMITTED AS S-1548-621)

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. Tank shall be equipped with pressure/vacuum valve set to within 10 percent of the maximum working pressure of the tank. [District Rules 2201 and 4624] Federally Enforceable Through Title V Permit
4. Tank shall be in a leak-free condition. A Leak-Free condition is defined as a condition without a gas leak or liquid leak. A gas leak is defined as a reading in excess of 10,000 ppmv, above background, as measured by a portable hydrocarbon detection instrument in accordance with the procedures specified in EPA Test Method 21. A reading in excess of 10,000 ppmv above background is a violation of this permit and Rule 4623 (amended May 19, 2005). A liquid leak is defined as the dripping of organic liquid at a rate of more than 3 drops per minutes. [District Rules 2201 and 4623] Federally Enforceable Through Title V Permit
5. Tank throughput shall not exceed 6,500 gallons per day based on a monthly average. [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



Arnaud Marjollet, Director of Permit Services

S-1547-1337-0 - Apr 17 2014 9:48AM - EDGEHILL - Joint Inspection NOT Required

6. Total volume of liquid loaded out shall not exceed 2,500 gallon per day. [District Rule 2201] Federally Enforceable Through Title V Permit
7. Tank shall only store, place, or hold organic liquid with a true vapor pressure (TVP) of less than 0.6 psia under all storage conditions. [District Rules 2201 and 4623] Federally Enforceable Through Title V Permit
8. Liquids loaded out shall have a true vapor pressure (TVP) of less than 0.6 psia [District Rule 2201] Federally Enforceable Through Title V Permit
9. Total number of disconnects from unloading and load-out operations shall not exceed 8 per day. [District Rule 2201] Federally Enforceable Through Title V Permit
10. VOC emissions from liquid loadout and excess liquid drainage shall not exceed 2.0 lb/day. [District Rule 2201] Federally Enforceable Through Title V Permit
11. MSDS or chemical laboratory results documenting tvp of liquid stored and loaded out shall be maintained on-site and made available for District inspection upon request. [District Rules 2201 and 4623] Federally Enforceable Through Title V Permit
12. Permittee shall maintain monthly records of average daily throughput and shall keep accurate records of each organic liquid stored in the tank, including its storage temperature and TVP. [District Rules 2201 and 4623] Federally Enforceable Through Title V Permit
13. Permittee shall keep accurate daily records of TVP, types of liquids loaded out, liquid loadout temperature, gallons per day of liquid loaded out, and number of disconnects for loading and unloading. [District Rules 1070 and 2201] Federally Enforceable Through Title V Permit
14. Records shall be maintained on site for a period of at least five years and shall be made available for District inspection upon request. [District Rules 1070, 4623 and 4624] Federally Enforceable Through Title V Permit
15. Prior to operating equipment under this Authority to Construct, permittee shall surrender VOC emission reduction credits for the following quantity of emissions: 1st quarter - 567 lb, 2nd quarter - 567 lb, 3rd quarter - 567 lb, and fourth quarter - 567 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
16. ERC Certificate Number S-3923-1 (or a certificate split from this certificate) shall be used to supply the required offsets, unless a revised offsetting proposal is received and approved by the District, upon which this Authority to Construct shall be reissued, administratively specifying the new offsetting proposal. Original public noticing requirements, if any, shall be duplicated prior to reissuance of this Authority to Construct. [District Rule 2201] Federally Enforceable Through Title V Permit



AUTHORITY TO CONSTRUCT

PERMIT NO: S-1548-621-0

ISSUANCE DATE: 04/17/2014

LEGAL OWNER OR OPERATOR: AERA ENERGY LLC
MAILING ADDRESS: PO BOX 11164
BAKERSFIELD, CA 93389-1164

LOCATION: LIGHT OIL WESTERN STATIONARY SOURCE
CA

SECTION: 20 TOWNSHIP: 28S RANGE: 21E

EQUIPMENT DESCRIPTION:
6500 GALLON CHEMICAL STORAGE TANK WITH P/V VALVE AND LIQUID LOADOUT OPERATION (ALSO PERMITTED AS S-1547-1337)

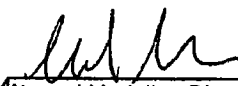
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5. Tank throughput shall not exceed 6,500 gallons per day based on a monthly average. [District Rule 2201] Federally Enforceable Through Title V Permit

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Seyed Sadredin, Executive Director / APCO


Renaud Marjollet, Director of Permit Services
S-1548-621-0 Apr 17 2014 9:32AM - EDG:HLR Joint Inspection NOT Required

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15. VOC emissions from the tank are fully offset with ERC Certificate S-3923-1 listed on ATC S-1547-1337-0. [District Rule 2201] Federally Enforceable Through Title V Permit