



San Joaquin Valley

AIR POLLUTION CONTROL DISTRICT



HEALTHY AIR LIVING™

JUL 31 2014

Mr. Wm. Douglas Shaffer
Vintage Production California LLC
9600 Ming Ave, Suite 300
Bakersfield, CA 93311

**Re: Final - Authority to Construct / COC (Significant Mod)
District Facility # S-8282
Project # S-1141816**

Dear Mr. Shaffer:

The Air Pollution Control Officer has issued Authorities to Construct (ATC # S-8282-124-1 and '125-1) with Certificates of Conformity to Vintage Production California LLC at various unspecified locations within Vintage Production California's Light Oil Western Stationary Source in Kern County. These permits authorize the use of two transportable micro turbines to be operated at various unspecified locations within Vintage Production California's Light Oil Western Stationary Source in Kern County. 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 June 5, 2014. The District's analysis of the proposal was also sent to CARB and US EPA Region IX on June 2, 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.

Also enclosed is an invoice for the engineering evaluation fees pursuant to District Rule 3010. Please remit the amount owed, along with a copy of the attached invoice, within 60 days.

Seyed Sadredin

Executive Director/Air Pollution Control Officer

Northern Region

4800 Enterprise Way

Modesto, CA 95356-8718

Tel: (209) 557-6400 FAX: (209) 557-6475

Central Region (Main Office)

1990 E. Gettysburg Avenue

Fresno, CA 93726-0244

Tel: (559) 230-6000 FAX: (559) 230-6061

Southern Region

34946 Flyover Court

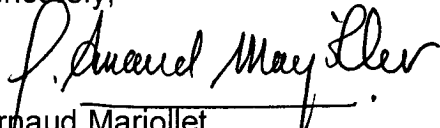
Bakersfield, CA 93308-9725

Tel: 661-392-5500 FAX: 661-392-5585

Mr. Wm. Douglas Shaffer
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Thank you for your cooperation in this matter. If you have any questions, please contact Mr. Jim Swaney, Permit Services Manager, at (559) 230-5900.

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-8282-124-1

ISSUANCE DATE: 07/29/2014

LEGAL OWNER OR OPERATOR: VINTAGE PRODUCTION CALIFORNIA LLC

MAILING ADDRESS: 9600 MING AVE, SUITE 300
BAKERSFIELD, CA 93311

LOCATION: LIGHT OIL WESTERN STATIONARY SOURCE
KERN COUNTY, CA

EQUIPMENT DESCRIPTION:

2.28 MMBTU/HR NATURAL GAS/FIELD GAS FIRED CAPSTONE MODEL C200 MICRO TURBINE POWERING A 200 KW ELECTRICAL GENERATOR AT VARIOUS UNSPECIFIED LOCATIONS WITHIN THE LIGHT OIL WESTERN STATIONARY SOURCE

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. This Authority to Construct (ATC) cancels and supersedes ATC permit S-8282-124-0. [District Rule 2201] Federally Enforceable Through Title V Permit
4. Prior to operating equipment under this Authority to Construct, permittee shall surrender NOX emission reduction credits for the following quantity of emissions: 1st quarter - 214 lb, 2nd quarter - 214 lb, 3rd quarter - 214 lb, and fourth quarter - 214 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

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


Arnaud Marjollet, Director of Permit Services
S-8282-124-1 Jul 29 2014 8:17AM - TOMS : Joint Inspection Required with TOMS

5. ERC Certificate Numbers C-1231-2, S-4084-2, and S-4093-2 (or certificates split from these certificates) 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
6. No air contaminant shall be released into the atmosphere which causes a public nuisance. [District Rule 4102]
7. The exhaust stack shall vent vertically upward. The vertical exhaust flow shall not be impeded by a rain cap (flapper ok), roof overhang, or any other obstruction. [District Rule 4102]
8. The permittee shall notify the District Compliance Division of each location at which the operation is located at which the operation is located in excess of 24 hours. Such notification shall be made no later than 48 hours after starting operation at the location. [District Rule 1070] Federally Enforceable Through Title V Permit
9. Turbine must be at least 197 feet from the property boundary. [District Rule 4102] Federally Enforceable Through Title V Permit
10. This unit shall not be operated within 1,000 feet of any K-12 school. [District Rule 4102] Federally Enforceable Through Title V Permit
11. Particulate matter emissions shall not exceed 0.1 grains/dscf in concentration. [District Rule 4201] Federally Enforceable Through Title V Permit
12. 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
13. Emission rates from this unit shall not exceed any of the following limits: NO_x (as NO₂) - 9.0 ppmvd @ 15% O₂; VOC - 5 ppmvd @ 15% O₂; CO - 19 ppmvd @ 15% O₂; or PM₁₀ - 0.0066 lb/MMBtu. [District Rules 2201 and 4201] Federally Enforceable Through Title V Permit
14. The turbine shall only burn produced gas and/or PUC quality gas with a fuel sulfur concentration not exceeding 0.75 gr/100 dscf. [District Rules 2201 and 4801] Federally Enforceable Through Title V Permit
15. Permittee shall measure and record fuel gas sulfur content (H₂S) within 60 days of initial start-up, upon any change in the gas fuel source, and at least once every 12 months thereafter. [District Rule 2201] Federally Enforceable Through Title V Permit
16. Permittee shall determine sulfur content of gas consumed by the turbine using ASTM method D3246 or double GC for H₂S and mercaptans. [District Rule 2201] Federally Enforceable Through Title V Permit
17. The permittee shall monitor and record the stack concentration of NO_x, CO, and O₂ within 60 days of initial start-up at each location and at least once every 12 months thereafter, 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. [District Rule 2201] Federally Enforceable Through Title V Permit
18. If either the NO_x or CO concentrations corrected to 15% 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 Rule 2201] Federally Enforceable Through Title V Permit

19. 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 Rule 2201] Federally Enforceable Through Title V Permit
20. The permittee shall maintain records of: (1) the date and time of O₂ and NO_x measurements, (2) the O₂ concentration in percent and the measured NO_x concentration corrected to 15% 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 Rule 2201] Federally Enforceable Through Title V Permit
21. Permittee shall maintain an accurate record of each location where this turbine is operated and the sulfur content (H₂S) of the gas from each fuel source. [District Rules 1070 and 2201] Federally Enforceable Through Title V Permit
22. All records shall be maintained and retained on-site for a period of at least 5 years and shall be made available for District inspection upon request. [District Rule 1070] Federally Enforceable Through Title V Permit



AUTHORITY TO CONSTRUCT

PERMIT NO: S-8282-125-1

ISSUANCE DATE: 07/29/2014

LEGAL OWNER OR OPERATOR: VINTAGE PRODUCTION CALIFORNIA LLC

MAILING ADDRESS: 9600 MING AVE, SUITE 300
BAKERSFIELD, CA 93311

LOCATION: LIGHT OIL WESTERN STATIONARY SOURCE
KERN COUNTY, CA

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Seyed Sadredin, Executive Director / APCO


Arnaud Marjollet, Director of Permit Services
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