



**MAR 03 2016**

Mr. Greg Pritchett  
Chevron USA Inc.  
P.O. Box 1392  
Bakersfield, CA 93302

**Re: Final - Authority to Construct / Certificate of Conformity (Significant Mod)  
District Facility # S-1131  
Project # 1154090**

Dear Mr. Pritchett:

The Air Pollution Control Officer has issued an Authority to Construct (S-1131-716-22) with a Certificate of Conformity to Chevron USA Inc. in central Kern County. Chevron USA Inc. has requested an Authority to Construct for consolidation of well permits. Enclosed are the Authority 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 1/29/16. The District's analysis of the proposal was also sent to CARB and US EPA Region IX on 1/26/16. No comments were received following the District's preliminary decision on this project.

Prior to operating with the 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. Application forms have been enclosed for your use. These forms may also be found on the District's website at [www.valleyair.org](http://www.valleyair.org).

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

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Page 2

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



## AUTHORITY TO CONSTRUCT

PERMIT NO: S-1131-716-22

ISSUANCE DATE: 03/01/2016

LEGAL OWNER OR OPERATOR: CHEVRON USA INC  
MAILING ADDRESS: PO BOX 1392  
BAKERSFIELD, CA 93302

LOCATION: HEAVY OIL CENTRAL  
KERN COUNTY, CA

**EQUIPMENT DESCRIPTION:**

MODIFICATION OF TEOR OPERATION WITH 6280 STEAM ENHANCED OIL PRODUCTION WELLS WITH CLOSED CASING VENTS PRODUCING TO TANKS WITH VAPOR CONTROL: CONSOLIDATE 47 EXISTING WELL PERMITS/INCREASE WELL NUMBER TO 11,047

### 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. Permits S-1131-262, '903, '909, '917, '932, '944, '958, '995, '996, '1007, '1008, '1010, '1011, '1012, '1013, '1014, '1017, '1031, '1032, '1033, '1035, '1048, '1131, '1162, '1163, '1164, '1165, '1166, '1167, '1168, '1169, '1170, '1171, '1172, '1173, '1174, '1175, '1176, '1177, '1178, '1179, '1180, '1181, '1182, '1185, '1186 shall be canceled upon implementation of this ATC. [District Rule 2201] Federally Enforceable Through Title V Permit
4. Permittee shall maintain a current listing of all steam-enhanced wells in the central Kern County fields heavy oil production stationary source with closed casing vents that direct fluids to uncontrolled storage tanks and a current listing of all permit numbers of front-line equipment receiving produced fluids from the wells; shall update the list whenever a well or front-line equipment is added, replaced or deleted; and shall make such listing readily available for District inspection upon request. [District Rule 2201] Federally Enforceable Through Title V Permit
5. Steam-enhanced production wells with closed well casing vents shall each have a visible identification number. [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

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6. Total number of well casing and casing vent leaks from steam-enhanced oil production wells in this TEOR operation shall not exceed one leak detected for each 20 wells tested. [District Rule 4401, 5.2] Federally Enforceable Through Title V Permit
7. Permittee shall maintain accurate component count according to EPA's "Protocol for Equipment Leak Emission Estimate," Table 2-4, Oil and Gas Production Operations Average Emission Factors. Permittee shall update such records when new components are approved and installed. [District Rule 2201] Federally Enforceable Through Title V Permit
8. Volatile organic compound (VOC) emission rate shall not exceed 8,149.5 lb/day. [District Rule 2201] Federally Enforceable Through Title V Permit
9. Component screening shall be performed using a portable hydrocarbon detection instrument calibrated with methane in accordance with EPA Reference Method 21. [District Rule 4401, 6.3.3] Federally Enforceable Through Title V Permit
10. The crude oil production from wells associated with this permit unit shall not lie within 1,000 feet of an air injection well used for in-situ combustion. [District Rule 4407, 2.0, 3.4, and 3.5] Federally Enforceable Through Title V Permit
11. During the time any steam-enhanced crude oil production well is undergoing service or repair while the well is not producing, it shall be exempt from the emission control requirements of District Rule 4401. [District Rule 4401, 4.1] Federally Enforceable Through Title V Permit
12. The inspection requirements of Section 5.4.1 through Section 5.4.7 of Rule 4401 shall not apply to components exclusively handling gas/vapor or liquid with a VOC content of ten percent by weight (10%) or less, as determined by the test methods in Section 6.3.4 of Rule 4401. [District Rule 4401, 4.7] Federally Enforceable Through Title V Permit
13. Gas and liquid leaks are as defined in Section 3.20 of Rule 4401. [District Rule 4401, 3.20] Federally Enforceable Through Title V Permit
14. An operator shall not operate a steam-enhanced crude oil production well unless the operator complies with either of the following requirements: (1) The steam-enhanced crude oil production well vent is closed and the front line production equipment downstream of the wells that carry produced fluids (crude oil or mixture of crude oil and water) is connected to a VOC collection and control system as defined in Section 3.0 of Rule 4401, or gauge tanks as defined in Rule 4401. The well vent may be temporarily opened during periods of attended service or repair of the well provided such activity is done as expeditiously as possible with minimal spillage of material and VOC emissions to the atmosphere. (2) The steam-enhanced crude oil production well vent is open and the well vent is connected to a VOC collection and control system as defined in Section 3.0 of Rule 4401. [District Rule 4401, 5.1 and 5.1] Federally Enforceable Through Title V Permit
15. An operator shall be in violation of this rule if any District inspection demonstrates or if any operator inspection conducted pursuant to Section 5.4 of Rule 4401 demonstrates the existence of an open-ended line or a valve located at the end of the line that is not sealed with a blind flange, plug, cap, or a second closed valve that is not closed at all times, except during attended operations as defined by Section 5.2.2.1 of Rule 4401 requiring process fluid flow through the open-ended lines, a component with a major liquid leak, or a component with a gas leak greater than 50,000 ppmv. [District Rule 4401, 5.2] Federally Enforceable Through Title V Permit
16. An operator shall be in violation of this rule if any District inspection demonstrates or if any operator inspection conducted pursuant to Section 5.4 of Rule 4401 demonstrates the existence of any combination of components with minor liquid leaks, minor gas leaks, or a gas leak greater than 10,000 ppmv up to 50,000 ppmv that totals more than number of leaks allowed by Table 2 of Rule 4401. [District Rule 4401, 5.2] Federally Enforceable Through Title V Permit
17. An operator shall not use any component with a leak as defined in Section 3.0 of Rule 4401, or that is found to be in violation of the provisions of Section 5.2.2 of Rule 4401. However, components that were found leaking may be used provided such leaking components have been identified with a tag for repair, are repaired, or awaiting re-inspection after being repaired within the applicable time frame specified in Section 5.5 of Rule 4401. [District Rule 4401, 5.3] Federally Enforceable Through Title V Permit

CONDITIONS CONTINUE ON NEXT PAGE

18. Each hatch shall be closed at all times except during sampling or adding of process material through the hatch, or during attended repair, replacement, or maintenance operations, provided such activities are done as expeditiously as possible with minimal spillage of material and VOC emissions to the atmosphere. [District Rule 4401, 5.3] Federally Enforceable Through Title V Permit
19. An operator shall comply with the requirements of Section 6.7 of Rule 4401 if there is any change in the description of major components or critical components. [District Rule 4401, 5.3] Federally Enforceable Through Title V Permit
20. Except for pipes and unsafe-to-monitor components, an operator shall inspect all other components pursuant to the requirements of Section 6.3.3 of Rule 4401 at least once every year. [District Rule 4401, 5.4] Federally Enforceable Through Title V Permit
21. An operator shall visually inspect all pipes at least once every year. Any visual inspection of pipes that indicates a leak that cannot be immediately repaired to meet the leak standards of this rule shall be inspected within 24 hours after detecting the leak. If a leak is found, the leak shall be repaired as soon as practicable but not later than the time frame specified in Table 3 of Rule 4401. [District Rule 4401, 5.4] Federally Enforceable Through Title V Permit
22. In addition to the inspections required by Section 5.4.1 of Rule 4401, an operator shall inspect for leaks all accessible operating pumps, compressors, and PRDs in service as follows: An operator shall audio-visually (by hearing and by sight) inspect for leaks all accessible operating pumps, compressors, and PRDs in service at least once each calendar week. Any audio-visual inspection of an accessible operating pump, compressor, and PRD performed by an operator that indicates a leak that cannot be immediately repaired to meet the leak standards of this rule shall be inspected not later than 24 hours after conducting the audio-visual inspection. If a leak is found, the leak shall be repaired as soon as practicable but not later than the time frame specified in Table 3 of Rule 4401. [District Rule 4401, 5.4] Federally Enforceable Through Title V Permit
23. In addition to the inspections required by Sections 5.4.1, 5.4.2 and 5.4.3 of Rule 4401, operator shall perform the following: initially inspect a PRD that releases to the atmosphere as soon as practicable but not later than 24 hours after the discovery of the release, re-inspect the PRD not earlier than 24 hours after the initial inspection but not later than 15 calendar days after the initial inspection, inspect all new, replaced, or repaired fittings, flanges, and threaded connections within 72 hours of placing the component in service. Except for PRDs subject to the requirements of Section 5.4.4.1 of Rule 4401, an operator shall inspect a component that has been repaired or replaced not later than 15 calendar days after the component was repaired or replaced. [District Rule 4401, 5.4] Federally Enforceable Through Title V Permit
24. An operator shall inspect all unsafe-to-monitor components during each turnaround. [District Rule 4401, 5.4] Federally Enforceable Through Title V Permit
25. District inspection in no way fulfills any of the mandatory inspection requirements that are placed upon operators and cannot be used or counted as an inspection required of an operator. [District Rule 4401, 5.4] Federally Enforceable Through Title V Permit
26. An operator shall affix a readily visible weatherproof tag to a leaking component upon detection of the leak and shall include the following information on the tag: date and time of leak detection, date and time of leak measurement, for a gaseous leak, the leak concentration in ppmv, for a liquid leak, whether it is a major liquid leak or a minor liquid leak, whether the component is an essential component, an unsafe-to monitor component, or a critical component. [District Rule 4401, 5.5] Federally Enforceable Through Title V Permit
27. An operator shall keep the tag affixed to the component until an operator has met all of the following conditions: repaired or replaced the leaking component, re-inspected the component using the test method in Section 6.3.3, and the component is found to be in compliance with the requirements of this rule. [District Rule 4401 5.5] Federally Enforceable Through Title V Permit
28. An operator shall minimize a component leak in order to stop or reduce leakage to the atmosphere immediately to the extent possible, but not later than one (1) hour after detection of the leak. [District Rule 4401, 5.5] Federally Enforceable Through Title V Permit

CONDITIONS CONTINUE ON NEXT PAGE

29. Except for leaking critical components or leaking essential components subject to the requirements of Section 5.5.7 of Rule 4401, if an operator has minimized a leak but the leak still exceeds the applicable leak limits as defined in Section 3.0 of Rule 4401, an operator shall comply with at least one of the following requirements as soon as practicable but not later than the time period specified in Table 3 of Rule 4401: Repair or replace the leaking component; or vent the leaking component to a VOC collection and control system as defined in Section 3.0 of Rule 4401, or remove the leaking component from operation. [District Rule 4401, 5.5] Federally Enforceable Through Title V Permit
30. The repair period in calendar days shall not exceed 14 days for minor gas leaks, 5 days for major gas leaks less than or equal to 50,000 ppmv, 2 days for gas leak greater than 50,000 ppmv, 3 days for minor liquid leaks, 2 days for major liquid leaks. [District Rule 4401, 5.5] Federally Enforceable Through Title V Permit
31. The leak rate measured after leak minimization has been performed shall be the leak rate used to determine the applicable repair period specified in Table 3 of Rule 4401. [District Rule 4401, 5.5] Federally Enforceable Through Title V Permit
32. The time of the initial leak detection shall be the start of the repair period specified in Table 3 of Rule 4401. [District Rule 4401, 5.5] Federally Enforceable Through Title V Permit
33. If the leaking component is an essential component or a critical component that cannot be immediately shut down for repairs, and if the leak has been minimized but the leak still exceeds the applicable leak standard of this rule, the operator shall repair or replace the essential component or critical component to eliminate the leak during the next process unit turnaround, but in no case later than one year from the date of the original leak detection, whichever comes earlier. [District Rule 4401, 5.5] Federally Enforceable Through Title V Permit
34. The operator of any steam-enhanced crude oil production well shall maintain records of the date and well identification where steam injection or well stimulation occurs. [District Rule 4401, 6.1] Federally Enforceable Through Title V Permit
35. An operator of any steam-enhanced crude oil production well shall keep source test records which demonstrate compliance with the control efficiency requirements of the VOC collection and control system as defined in Section 3.0 of Rule 4401. [District Rule 4401, 6.1] Federally Enforceable Through Title V Permit
36. Operator of any steam-enhanced crude oil production well shall keep an inspection log maintained pursuant to Section 6.4 of Rule 4401. [District Rule 4401, 6.1] Federally Enforceable Through Title V Permit
37. Records of each calibration of the portable hydrocarbon detection instrument utilized for inspecting components, including a copy of current calibration gas certification from the vendor of said calibration gas cylinder, the date of calibration, concentration of calibration gas, instrument reading of calibration gas before adjustment, instrument reading of calibration gas after adjustment, calibration gas expiration date, and calibration gas cylinder pressure at the time of calibration shall be maintained. [District Rule 4401, 6.1] Federally Enforceable Through Title V Permit
38. An operator shall maintain copies at the facility of the training records of the training program operated pursuant to Section 6.5 of Rule 4401. [District Rule 4401 6.1] Federally Enforceable Through Title V Permit
39. The results of gauge tank TVP testing conducted pursuant to Section 6.2.3 shall be submitted to the APCO within 60 days after the completion of the testing. [District Rule 4401, 6.1] Federally Enforceable Through Title V Permit
40. An operator that discovers that a PRD has released shall record the date that the release was discovered, and the identity and location of the PRD that released. An operator shall submit such information recorded during the calendar year to the APCO no later than 60 days after the end of the calendar year. [District Rule 4401, 6.1] Federally Enforceable Through Title V Permit
41. An operator shall source test annually all vapor collection and control systems used to control emissions from steam-enhanced crude oil production well vents to determine the control efficiency of the device(s) used for destruction or removal of VOC. Compliance testing shall be performed annually by source testers certified by ARB. Testing shall be performed during June, July, August, or September of each year if the system's control efficiency is dependent upon ambient air temperature. A process system as defined in Section 3.30 of Rule 4401 is not subject to compliance source testing requirements. [District Rule 4401, 6.2] Federally Enforceable Through Title V Permit

CONDITIONS CONTINUE ON NEXT PAGE

42. If approved by the APCO, an operator need not comply with the annual testing requirement of Section 6.2.1 if all uncondensed VOC emissions collected by a vapor collection are controlled by an internal combustion engine subject to Rule 4702, a combustion device subject to Rule 4320, 4307 or 4308, a flare subject to Rule 4311. [District Rule 4401, 6.2] Federally Enforceable Through Title V Permit
43. An operator shall comply with the following requirements for each gauge tank, as defined in Section 3.0 of Rule 4401: Conduct periodic TVP testing of each gauge tank at least once every 24 months during summer (July - September), and whenever there is a change in the source or type of produced fluid in the gauge tank. The TVP testing shall be conducted at the actual storage temperature of the produced fluid in the gauge tank using the applicable TVP test method specified in Section 6.4 of Rule 4623 (Storage of Organic Liquids). The operator shall submit the TVP testing results to the APCO as specified in Section 6.1.9 of Rule 4401. [District Rule 4401, 6.2] Federally Enforceable Through Title V Permit
44. The control efficiency of any VOC control device, measured and calculated as carbon, shall be determined by EPA Method 25, except when the outlet concentration must be below 50 ppm in order to meet the standard, in which case EPA Method 25a may be used. EPA Method 18 may be used in lieu of EPA Method 25 or EPA Method 25a provided the identity and approximate concentrations of the analytes/compounds in the sample gas stream are known before analysis with the gas chromatograph and the gas chromatograph is calibrated for each of those known analyte/compound to ensure that the VOC concentrations are neither under- or over-reported. [District Rule 4401, 6.3] Federally Enforceable Through Title V Permit
45. VOC content shall be analyzed by using the latest revision of ASTM Method E168, E169, or E260 as applicable. Analysis of halogenated exempt compounds shall be performed by using ARB Method 432. [District Rule 4401, 6.3] Federally Enforceable Through Title V Permit
46. Leak inspection, other than audio-visual, and measurements of gaseous leak concentrations shall be conducted according to EPA Method 21 using an appropriate portable hydrocarbon detection instrument calibrated with methane. The instrument shall be calibrated in accordance with the procedures specified in EPA Method 21 or the manufacturer's instruction, as appropriate, not more than 30 days prior to its use. The operator shall record the calibration date of the instrument. Where safety is a concern, such as measuring leaks from compressor seals or pump seals when the shaft is rotating, a person shall measure leaks by placing the instrument probe inlet at a distance of one (1) centimeter or less from the surface of the component interface. [District Rule 4401, 6.3] Federally Enforceable Through Title V Permit
47. The VOC content by weight percent (wt.%) shall be determined using American Society of Testing and Materials (ASTM) D1945 for gases and South Coast Air Quality Management District (SCAQMD) Method 304-91 or the latest revision of ASTM Method E168, E169 or E260 for liquids. [District Rule 4401, 6.3] Federally Enforceable Through Title V Permit
48. Operator shall maintain an inspection log in which an operator records, at a minimum, all of the following information for each inspection performed: The total number of components inspected, total number and percentage of leaking components found by component type, location, type, and name or description of each leaking component and description of any unit where the leaking component is found, date of leak detection and the method of leak detection. For gaseous leaks, the leak concentration in ppmv, and for liquid leaks record whether the leak is a major liquid leak or a minor liquid leak, the date of repair, replacement, or removal from operation of leaking components, identify and location of essential components and critical components found leaking that cannot be repaired until the next process unit turnaround or not later than one year after leak detection, whichever comes earlier, methods used to minimize the leak from essential components and critical components found leaking that cannot be repaired until the next process unit turnaround or not later than one year after leak detection, whichever comes earlier, the date of re-inspection and the leak concentration in ppmv after the component is repaired or is replaced, the inspector's name, business mailing address, and business telephone number, date and signature of the facility operator responsible for the inspection and repair program certifying the accuracy of the information recorded in the log. [District Rule 4401, 6.4] Federally Enforceable Through Title V Permit
49. Operator shall keep a copy of the APCO-approved Operator Management Plan at the facility. [District Rule 4401, 6.1 and 6.5] Federally Enforceable Through Title V Permit

CONDITIONS CONTINUE ON NEXT PAGE

50. Operator shall keep a list of all gauge tanks, as defined in Section 3.0 of Rule 4401. The list shall contain the size, identification number, the location of each gauge tank and specify whether the gauge tank is upstream of all front line production equipment. [District Rule 4401, 6.1 and 6.6] Federally Enforceable Through Title V Permit
51. By January 30 of each year, an operator shall submit to the APCO for approval, in writing, an annual report indicating any changes to an existing Operator Management Plan. [District Rule 4401, 6.7] Federally Enforceable Through Title V Permit
52. All records of required monitoring data and support information shall be maintained for a period of at least five years and shall be made readily available for District inspection upon request. [District Rules 2201 and 4401, 6.1] Federally Enforceable Through Title V Permit