



APR 26 2016

Mr. Juan Campos
California Resources Elk Hills, LLC
PO Box 1001
Tupman, CA 93276

**Re: Final - Authority to Construct / Certificate of Conformity (Significant Mod)
District Facility # S-2234
Project # 1150871**

Dear Mr. Campos:

The Air Pollution Control Officer has issued Authorities to Construct (S-2234-8-4, '14-4, '204-3, '205-3 and '235-1) with Certificates of Conformity to California Resources Elk Hills, LLC in western Kern County. The applications are for flare modifications. 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 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.

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
www.valleyair.org www.healthyairliving.com

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

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



AUTHORITY TO CONSTRUCT

PERMIT NO: S-2234-8-4

ISSUANCE DATE: 04/11/2016

LEGAL OWNER OR OPERATOR: CALIFORNIA RESOURCES ELK HILLS, LLC
MAILING ADDRESS: 11109 RIVER RUN BLVD
BAKERSFIELD, CA 93311

LOCATION: GAS PLANT
SECTION SE-35, T-30S, R-23E
TUPMAN, CA

SECTION: 35 **TOWNSHIP:** 30S **RANGE:** 23E

EQUIPMENT DESCRIPTION:

MODIFICATION OF 104.6 MMBTU/HR LOW PRESSURE FLARE SERVING LTS #2 PLANT: AUTHORIZE FLARES '8, '14, '204, '205 AND '235 FOR NON-EMERGENCY SERVICE AND ESTABLISH AN SLC

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 - 6,143 lb, 2nd quarter - 6,144 lb, 3rd quarter - 6,144 lb, and fourth quarter - 6,144 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. ERC Certificate Numbers S-4211-2 and S-4390-2 (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

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-2234-8-4 Apr 11 2016 12:52PM - 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 - 241 lb, 2nd quarter - 241 lb, 3rd quarter - 241 lb, and fourth quarter - 242 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. ERC Certificate Number N-1280-5 (or a certificate split from this certificate) shall be used to supply the required SOx 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 SOX emission reduction credits for the following quantity of emissions: 1st quarter - 671 lb, 2nd quarter - 671 lb, 3rd quarter - 671 lb, and fourth quarter - 671 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. ERC Certificate Number N-1280-5 (or a certificate split from this certificate) shall be used to supply the required PM10 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. Prior to operating equipment under this Authority to Construct, permittee shall surrender VOC emission reduction credits for the following quantity of emissions: 1st quarter - 4467 lb, 2nd quarter - 4468lb, 3rd quarter - 4468 lb, and fourth quarter - 4468 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
10. ERC Certificate Number S-4211-1 (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
11. The above offsets will satisfy the offset requirements for all of ATCs S-2234-8-4, '14-4, '204-3, '205-3 and '235-1 combined. [District Rule 2201] Federally Enforceable Through Title V Permit
12. A non-resettable, totalizing mass or volumetric fuel flow meter to measure the amount of vent gas combusted in the flare shall be installed, utilized and maintained [District Rule 2201] Federally Enforceable Through Title V Permit
13. A non-resettable, totalizing mass or volumetric fuel flow meter to measure the amount of pilot gas combusted shall be installed, utilized and maintained [District Rule 2201] Federally Enforceable Through Title V Permit
14. This flare shall be inspected every two weeks while in operation for visible emissions. If visible emissions are observed, corrective action shall be taken. If visible emissions continue, an EPA Method 9 test shall be conducted within 72 hours. [District Rule 2520, 9.3.2] Federally Enforceable Through Title V Permit
15. Particulate matter emissions shall not exceed 0.1 grains/dscf in concentration. [District Rule 4201] Federally Enforceable Through Title V Permit
16. A flame shall be present at all times in the flare whenever combustible gases are vented through the flare. [District Rule 4311, 5.2] Federally Enforceable Through Title V Permit
17. The flare outlet shall be equipped with an automatic ignition system, or, shall operate with a pilot flame present at all times when combustible gases are vented through the flare, except during purge periods for automatic-ignition equipped flares. [District Rule 4311, 5.3] Federally Enforceable Through Title V Permit
18. Except for flares equipped with a flow-sensing ignition system, a heat sensing device such as a thermocouple, ultraviolet beam sensor, infrared sensor, or an equivalent device, capable of continuously detecting at least one pilot flame or the flare flame is present, shall be installed and operated. [District Rule 4311, 5.4] Federally Enforceable Through Title V Permit

CONDITIONS CONTINUE ON NEXT PAGE

19. Flares that use flow-sensing automatic ignition systems and which do not use a continuous flame pilot shall use purge gas for purging. [District Rule 4311, 5.5] Federally Enforceable Through Title V Permit
20. Vent gas emission rates from this unit shall not exceed any of the following limits: NO_x - 0.068 lb/MMBtu; VOC - 0.063 lb/MMBtu; CO - 0.37 lb/MMBtu; PM₁₀ - 0.008 lb/MMBtu; or SO_x - 0.00285 lb/MMBtu. [District Rule 2201] Federally Enforceable Through Title V Permit
21. Pilot emission rates from this unit shall not exceed any of the following limits: NO_x - 0.0094 lb/MMBtu; VOC - 0.0055 lb/MMBtu; CO - 0.04 lb/MMBtu; PM₁₀ - 0.076 lb/MMBtu; or SO_x - 0.00285 lb/MMBtu. [District Rule 2201] Federally Enforceable Through Title V Permit
22. Combined daily vent gas heat input from permit units S-2234-8, -14, -204, -205, and - 235 shall not exceed 30,938 MMBtu. [District Rule 2201] Federally Enforceable Through Title V Permit
23. Combined annual vent gas heat input from permit units S-2234-8, -14, -204, -205, and - 235 shall not exceed 185,625 MMBtu. [District Rule 2201] Federally Enforceable Through Title V Permit
24. Combined daily vent gas emissions from permit units S-2234-8, -14, -204, -205, and - 235 shall not exceed any of the following: 2,103.8 lb-NO_x; 88.2 lb-SO_x; 247.5 lb-PM₁₀; 11,447.1 lb-CO; 1,949.1 lb-VOC. [District Rule 2201] Federally Enforceable Through Title V Permit
25. Combined annual vent gas emissions from permit units S-2234-8, -14, -204, -205, and - 235 shall not exceed any of the following: 12,623 lb-NO_x; 529 lb-SO_x; 1,485 lb-PM₁₀; 68,681 lb-CO; 11,694 lb-VOC. [District Rule 2201] Federally Enforceable Through Title V Permit
26. Combined daily pilot gas heat input from permit units S-2234-8, -14, -204, -205, and - 235 shall not exceed 110 MMBtu. [District Rule 2201] Federally Enforceable Through Title V Permit
27. Combined annual pilot gas heat input from permit units S-2234-8, -14, -204, -205, and - 235 shall not exceed 40,000 MMBtu. [District Rule 2201] Federally Enforceable Through Title V Permit
28. Combined daily pilot gas emissions from permit units S-2234-8, -14, -204, -205, and - 235 shall not exceed any of the following: 10.3 lb-NO_x; 0.3 lb-SO_x; 0.8 lb-PM₁₀; 4.4 lb- CO; 0.6 lb-VOC. [District Rule 2201] Federally Enforceable Through Title V Permit
29. Combined annual pilot gas emissions from permit units S-2234-8, -14, -204, -205, and - 235 shall not exceed any of the following: 3,760 lb-NO_x; 114 lb-SO_x; 304 lb-PM₁₀; 1,600 lb-CO; 220 lb-VOC. [District Rule 2201] Federally Enforceable Through Title V Permit
30. The operator shall submit an annual report to the APCO within 30 days following the end of each 12 month period. The report shall include the following: 1) The total volumetric flow of vent gas in standard cubic feet for each day; 2) Hydrogen sulfide content, methane content, and hydrocarbon content of vent gas composition; 3) If vent gas composition is monitored by a continuous analyzer or analyzers, average total hydrocarbon content by volume, average methane content by volume, and depending upon the analytical method used, total reduced sulfur content by volume or hydrogen sulfide content by volume of vent gas flared for each hour of the month; 4) If the flow monitor used measures molecular weight, the average molecular weight for each hour of each month; 5) For any pilot and purge gas used, the type of gas used, the volumetric flow for each day and for each month, and the means used to determine the flow; 6) Flare monitoring system downtime periods, including dates and times; 7) For each day and for each month provide calculated sulfur dioxide emissions; and 8) A flow verification report. The flow verification report shall include flow verification testing using approved test methods. [District Rule 4311, 6.2.3] Federally Enforceable Through Title V Permit
31. Operators subject to vent gas composition monitoring requirements shall use the following test methods as appropriate, or by an alternative method approved by the APCO, ARB and EPA: Total hydrocarbon content and methane content of vent gas shall be determined using ASTM Method D 1945-96, ASTM Method UOP 539-97, EPA Method 18, or EPA Method 25A or 25B. Hydrogen sulfide content of vent gas shall be determined using ASTM Method D 1945-96, ASTM Method UOP 539-97, ASTM Method D 4084-94, or ASTM Method D 4810-88. [District Rule 4311, 6.3.4] Federally Enforceable Through Title V Permit

CONDITIONS CONTINUE ON NEXT PAGE

32. If vent gas composition is monitored with a continuous analyzer employing gas chromatography the minimum sampling frequency shall be one sample every 30 minutes. If vent gas composition is monitored using continuous analyzers not employing gas chromatography, the total reduced sulfur content of vent gas shall be determined by using EPA Method D4468-85. [District Rule 4311, 6.3.4] Federally Enforceable Through Title V Permit
33. Vent gas flow shall be determined using one or more of the following methods, or by any alternative method approved by the APCO, ARB, and EPA: 1) EPA Methods 1 and 2; 2) A verification method recommended by the manufacturer of the flow monitoring equipment installed; 3) Tracer gas dilution or velocity; or 4) Other flow monitors or process monitors that can provide comparison data on a vent stream that is being directed past the ultrasonic flow meter. [District Rule 4311, 6.3.5] Federally Enforceable Through Title V Permit
34. The operator shall monitor vent gas composition using one of the following five methods as appropriate. If flares share a common header, a sample from the header will be deemed representative of vent gas composition for all flares served by the header. The operator shall provide the APCO with access to the monitoring system to collect vent gas samples to verify the analysis. 1) Sampling that meets the following requirements: (a) If the flow rate of vent gas flared in any consecutive 15-minute period continuously exceeds 330 standard cubic feet per minute (SCFM), a sample shall be taken within 15 minutes. The sampling frequency thereafter shall be one sample every three hours and shall continue until the flow rate of vent gas flared in any consecutive 15-minute period is continuously 330 SCFM or less. In no case shall a sample be required more frequently than once every 3 hours. (b) Samples shall be analyzed using approved test methods; or 2) Integrated sampling that meets the following requirements: (a) If the flow rate of vent gas flared in any consecutive 15 minute period continuously exceeds 330 SCFM, integrated sampling shall begin within 15 minutes and shall continue until the flow rate of vent gas flared in any consecutive 15 minute period is continuously 330 SCFM or less. (b) Integrated sampling shall consist of a minimum of one aliquot for each 15-minute period until the sample container is full. If sampling is still required pursuant to part (a), a new sample container shall be placed in service within one hour after the previous sample was filled. A sample container shall not be used for a sampling period that exceeds 24 hours. (c) Samples shall be analyzed using approved test methods; or 3) Continuous analyzers that meet the following requirements: (a) The analyzers shall continuously monitor for total hydrocarbon methane, and depending upon the analytical method used pursuant to Section 6.3.4, hydrogen sulfide or total reduced sulfur. (b) The hydrocarbon analyzer shall have a full-scale range of 100% total hydrocarbon. (c) Each analyzer shall be maintained to be accurate to within 20% when compared to any field accuracy tests or to within 5% of full scale; or 4). Continuous analyzers employing gas chromatography that meet the following requirements: (a) The gas chromatography system shall monitor for total hydrocarbon, methane, and hydrogen sulfide. (b) The gas chromatography system shall be maintained to be accurate within 5% of full scale; or 5) Monitor sulfur content using a colorimetric tube system on a daily basis, and monitor vent gas hydrocarbon on a weekly basis by collecting samples and having them tested using approved test methods. [District Rule 4311, 6.6] Federally Enforceable Through Title V Permit
35. Permittee shall monitor the volumetric flows of purge and pilot gases with flow measuring devices or other parameters as specified on the Permit to Operate so that volumetric flows of pilot and purge gas may be calculated based on pilot design and the parameters monitored. [District Rule 4311, 6.7] Federally Enforceable Through Title V Permit
36. The operator of a flare with a water seal shall monitor and record the water level and pressure of the water seal daily or as specified on the Permit to Operate. [District Rule 4311, 6.8] Federally Enforceable Through Title V Permit
37. Periods of flare monitoring system inoperation greater than 24 continuous hours shall be reported by the following working day, followed by notification of resumption of monitoring. Periods of inoperation of monitoring equipment shall not exceed 14 days per any 18-consecutive-month period. Periods of flare monitoring system inoperation do not include the periods when the system feeding the flare is not operating. [District Rule 4311, 6.9] Federally Enforceable Through Title V Permit
38. During periods of inoperation of continuous analyzers or auto-samplers, operators responsible for monitoring shall take one sample within 30 minutes of the commencement of flaring, from the flare header or from an alternate location at which samples are representative of vent gas composition and have samples analyzed using approved test methods. During periods of inoperation of flow monitors, flow shall be calculated using good engineering practices. [District Rule 4311, 6.9] Federally Enforceable Through Title V Permit

CONDITIONS CONTINUE ON NEXT PAGE

39. Permittee shall maintain and calibrate all required monitors and recording devices in accordance with the applicable manufacturer's specifications. In order to claim that a manufacturer's specification is not applicable, the person responsible for emissions must have, and follow, a written maintenance policy that was developed for the device in question. The written policy must explain and justify the difference between the written procedure and the manufacturer's procedure. [District Rule 4311, 6.9] Federally Enforceable Through Title V Permit
40. All in-line continuous analyzer and flow monitoring data must be continuously recorded by an electronic data acquisition system capable of one-minute averages. Flow monitoring data shall be recorded as one-minute averages. [District Rule 4311, 6.9] Federally Enforceable Through Title V Permit
41. Permittee shall keep accurate daily records of flare vent gas and pilot gas volumes and sulfur content of flared gas and such records shall be retained for a period of 5 years and be made readily available for District inspection upon request. [District Rule 2201]
42. Permittee shall maintain a copy of annual reports submitted to the APCO. [District Rule 4311, 6.1.6] Federally Enforceable Through Title V Permit
43. Records of flare maintenance, inspections, and repair shall be maintained. The records shall include identification of the equipment, date of inspection, corrective action taken, and identification of the individual performing the inspection. [District Rule 2520, 9.4.2] Federally Enforceable Through Title V Permit
44. Permittee shall maintain records of all monitoring data collected. [District Rule 4311, 6.1.7] Federally Enforceable Through Title V Permit
45. Compliance with the requirements for this permit unit shall be deemed compliance with District Rules 4201. A permit shield is granted from these requirements. [District Rule 2520, 13.2] Federally Enforceable Through Title V Permit



AUTHORITY TO CONSTRUCT

PERMIT NO: S-2234-14-4

ISSUANCE DATE: 04/11/2016

LEGAL OWNER OR OPERATOR: CALIFORNIA RESOURCES ELK HILLS, LLC
MAILING ADDRESS: 11109 RIVER RUN BLVD
BAKERSFIELD, CA 93311

LOCATION: GAS PLANT
SECTION SE-35, T-30S, R-23E
TUPMAN, CA

SECTION: 35 **TOWNSHIP:** 30S **RANGE:** 23E

EQUIPMENT DESCRIPTION:

MODIFICATION OF 105.6 MMBTU/HR LOW PRESSURE FLARE SERVING LTS #1: AUTHORIZE FLARES '8, '14, '204, '205 AND '235 FOR NON-EMERGENCY SERVICE AND ESTABLISH AN SLC

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 - 6,143 lb, 2nd quarter - 6,144 lb, 3rd quarter - 6,144 lb, and fourth quarter - 6,144 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. ERC Certificate Numbers S-4211-2 and S-4390-2 (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

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-2234-14-4 - Apr 11 2016 12:52PM - 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 - 241 lb, 2nd quarter - 241 lb, 3rd quarter - 241 lb, and fourth quarter - 242 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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7. Prior to operating equipment under this Authority to Construct, permittee shall surrender SOX emission reduction credits for the following quantity of emissions: 1st quarter - 671 lb, 2nd quarter - 671 lb, 3rd quarter - 671 lb, and fourth quarter - 671 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. ERC Certificate Number N-1280-5 (or a certificate split from this certificate) shall be used to supply the required PM10 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. Prior to operating equipment under this Authority to Construct, permittee shall surrender VOC emission reduction credits for the following quantity of emissions: 1st quarter - 4467 lb, 2nd quarter - 4468lb, 3rd quarter - 4468 lb, and fourth quarter - 4468 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. A non-resettable, totalizing mass or volumetric fuel flow meter to measure the amount of vent gas combusted in the flare shall be installed, utilized and maintained [District Rule 2201] Federally Enforceable Through Title V Permit
13. A non-resettable, totalizing mass or volumetric fuel flow meter to measure the amount of pilot gas combusted shall be installed, utilized and maintained [District Rule 2201] Federally Enforceable Through Title V Permit
14. This flare shall be inspected every two weeks while in operation for visible emissions. If visible emissions are observed, corrective action shall be taken. If visible emissions continue, an EPA Method 9 test shall be conducted within 72 hours. [District Rule 2520, 9.3.2] Federally Enforceable Through Title V Permit
15. Particulate matter emissions shall not exceed 0.1 grains/dscf in concentration. [District Rule 4201] Federally Enforceable Through Title V Permit
16. A flame shall be present at all times in the flare whenever combustible gases are vented through the flare. [District Rule 4311, 5.2] Federally Enforceable Through Title V Permit
17. The flare outlet shall be equipped with an automatic ignition system, or, shall operate with a pilot flame present at all times when combustible gases are vented through the flare, except during purge periods for automatic-ignition equipped flares. [District Rule 4311, 5.3] Federally Enforceable Through Title V Permit
18. Except for flares equipped with a flow-sensing ignition system, a heat sensing device such as a thermocouple, ultraviolet beam sensor, infrared sensor, or an equivalent device, capable of continuously detecting at least one pilot flame or the flare flame is present, shall be installed and operated. [District Rule 4311, 5.4] Federally Enforceable Through Title V Permit

CONDITIONS CONTINUE ON NEXT PAGE

19. Flares that use flow-sensing automatic ignition systems and which do not use a continuous flame pilot shall use purge gas for purging. [District Rule 4311, 5.5] Federally Enforceable Through Title V Permit
20. Vent gas emission rates from this unit shall not exceed any of the following limits: NO_x - 0.068 lb/MMBtu; VOC - 0.063 lb/MMBtu; CO - 0.37 lb/MMBtu; PM₁₀ - 0.008 lb/MMBtu; or SO_x - 0.00285 lb/MMBtu. [District Rule 2201] Federally Enforceable Through Title V Permit
21. Pilot emission rates from this unit shall not exceed any of the following limits: NO_x - 0.0094 lb/MMBtu; VOC - 0.0055 lb/MMBtu; CO - 0.04 lb/MMBtu; PM₁₀ - 0.076 lb/MMBtu; or SO_x - 0.00285 lb/MMBtu. [District Rule 2201] Federally Enforceable Through Title V Permit
22. Combined daily vent gas heat input from permit units S-2234-8, -14, -204, -205, and - 235 shall not exceed 30,938 MMBtu. [District Rule 2201] Federally Enforceable Through Title V Permit
23. Combined annual vent gas heat input from permit units S-2234-8, -14, -204, -205, and - 235 shall not exceed 185,625 MMBtu. [District Rule 2201] Federally Enforceable Through Title V Permit
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26. Combined daily pilot gas heat input from permit units S-2234-8, -14, -204, -205, and - 235 shall not exceed 110 MMBtu. [District Rule 2201] Federally Enforceable Through Title V Permit
27. Combined annual pilot gas heat input from permit units S-2234-8, -14, -204, -205, and - 235 shall not exceed 40,000 MMBtu. [District Rule 2201] Federally Enforceable Through Title V Permit
28. Combined daily pilot gas emissions from permit units S-2234-8, -14, -204, -205, and - 235 shall not exceed any of the following: 10.3 lb-NO_x; 0.3 lb-SO_x; 0.8 lb-PM₁₀; 4.4 lb- CO; 0.6 lb-VOC. [District Rule 2201] Federally Enforceable Through Title V Permit
29. Combined annual pilot gas emissions from permit units S-2234-8, -14, -204, -205, and - 235 shall not exceed any of the following: 3,760 lb-NO_x; 114 lb-SO_x; 304 lb-PM₁₀; 1,600 lb-CO; 220 lb-VOC. [District Rule 2201] Federally Enforceable Through Title V Permit
30. The operator shall submit an annual report to the APCO within 30 days following the end of each 12 month period. The report shall include the following: 1) The total volumetric flow of vent gas in standard cubic feet for each day; 2) Hydrogen sulfide content, methane content, and hydrocarbon content of vent gas composition; 3) If vent gas composition is monitored by a continuous analyzer or analyzers, average total hydrocarbon content by volume, average methane content by volume, and depending upon the analytical method used, total reduced sulfur content by volume or hydrogen sulfide content by volume of vent gas flared for each hour of the month; 4) If the flow monitor used measures molecular weight, the average molecular weight for each hour of each month; 5) For any pilot and purge gas used, the type of gas used, the volumetric flow for each day and for each month, and the means used to determine the flow; 6) Flare monitoring system downtime periods, including dates and times; 7) For each day and for each month provide calculated sulfur dioxide emissions; and 8) A flow verification report. The flow verification report shall include flow verification testing using approved test methods. [District Rule 4311, 6.2.3] Federally Enforceable Through Title V Permit
31. Operators subject to vent gas composition monitoring requirements shall use the following test methods as appropriate, or by an alternative method approved by the APCO, ARB and EPA: Total hydrocarbon content and methane content of vent gas shall be determined using ASTM Method D 1945-96, ASTM Method UOP 539-97, EPA Method 18, or EPA Method 25A or 25B. Hydrogen sulfide content of vent gas shall be determined using ASTM Method D 1945-96, ASTM Method UOP 539-97, ASTM Method D 4084-94, or ASTM Method D 4810-88. [District Rule 4311, 6.3.4] Federally Enforceable Through Title V Permit

CONDITIONS CONTINUE ON NEXT PAGE

32. If vent gas composition is monitored with a continuous analyzer employing gas chromatography the minimum sampling frequency shall be one sample every 30 minutes. If vent gas composition is monitored using continuous analyzers not employing gas chromatography, the total reduced sulfur content of vent gas shall be determined by using EPA Method D4468-85. [District Rule 4311, 6.3.4] Federally Enforceable Through Title V Permit
33. Vent gas flow shall be determined using one or more of the following methods, or by any alternative method approved by the APCO, ARB, and EPA: 1) EPA Methods 1 and 2; 2) A verification method recommended by the manufacturer of the flow monitoring equipment installed; 3) Tracer gas dilution or velocity; or 4) Other flow monitors or process monitors that can provide comparison data on a vent stream that is being directed past the ultrasonic flow meter. [District Rule 4311, 6.3.5] Federally Enforceable Through Title V Permit
34. The operator shall monitor vent gas composition using one of the following five methods as appropriate. If flares share a common header, a sample from the header will be deemed representative of vent gas composition for all flares served by the header. The operator shall provide the APCO with access to the monitoring system to collect vent gas samples to verify the analysis. 1) Sampling that meets the following requirements: (a) If the flow rate of vent gas flared in any consecutive 15-minute period continuously exceeds 330 standard cubic feet per minute (SCFM), a sample shall be taken within 15 minutes. The sampling frequency thereafter shall be one sample every three hours and shall continue until the flow rate of vent gas flared in any consecutive 15-minute period is continuously 330 SCFM or less. In no case shall a sample be required more frequently than once every 3 hours. (b) Samples shall be analyzed using approved test methods; or 2) Integrated sampling that meets the following requirements: (a) If the flow rate of vent gas flared in any consecutive 15 minute period continuously exceeds 330 SCFM, integrated sampling shall begin within 15 minutes and shall continue until the flow rate of vent gas flared in any consecutive 15 minute period is continuously 330 SCFM or less. (b) Integrated sampling shall consist of a minimum of one aliquot for each 15-minute period until the sample container is full. If sampling is still required pursuant to part (a), a new sample container shall be placed in service within one hour after the previous sample was filled. A sample container shall not be used for a sampling period that exceeds 24 hours. (c) Samples shall be analyzed using approved test methods; or 3) Continuous analyzers that meet the following requirements: (a) The analyzers shall continuously monitor for total hydrocarbon methane, and depending upon the analytical method used pursuant to Section 6.3.4, hydrogen sulfide or total reduced sulfur. (b) The hydrocarbon analyzer shall have a full-scale range of 100% total hydrocarbon. (c) Each analyzer shall be maintained to be accurate to within 20% when compared to any field accuracy tests or to within 5% of full scale; or 4). Continuous analyzers employing gas chromatography that meet the following requirements: (a) The gas chromatography system shall monitor for total hydrocarbon, methane, and hydrogen sulfide. (b) The gas chromatography system shall be maintained to be accurate within 5% of full scale; or 5) Monitor sulfur content using a colorimetric tube system on a daily basis, and monitor vent gas hydrocarbon on a weekly basis by collecting samples and having them tested using approved test methods. [District Rule 4311, 6.6] Federally Enforceable Through Title V Permit
35. Permittee shall monitor the volumetric flows of purge and pilot gases with flow measuring devices or other parameters as specified on the Permit to Operate so that volumetric flows of pilot and purge gas may be calculated based on pilot design and the parameters monitored. [District Rule 4311, 6.7] Federally Enforceable Through Title V Permit
36. The operator of a flare with a water seal shall monitor and record the water level and pressure of the water seal daily or as specified on the Permit to Operate. [District Rule 4311, 6.8] Federally Enforceable Through Title V Permit
37. Periods of flare monitoring system inoperation greater than 24 continuous hours shall be reported by the following working day, followed by notification of resumption of monitoring. Periods of inoperation of monitoring equipment shall not exceed 14 days per any 18-consecutive-month period. Periods of flare monitoring system inoperation do not include the periods when the system feeding the flare is not operating. [District Rule 4311, 6.9] Federally Enforceable Through Title V Permit
38. During periods of inoperation of continuous analyzers or auto-samplers, operators responsible for monitoring shall take one sample within 30 minutes of the commencement of flaring, from the flare header or from an alternate location at which samples are representative of vent gas composition and have samples analyzed using approved test methods. During periods of inoperation of flow monitors, flow shall be calculated using good engineering practices. [District Rule 4311, 6.9] Federally Enforceable Through Title V Permit

CONDITIONS CONTINUE ON NEXT PAGE

39. Permittee shall maintain and calibrate all required monitors and recording devices in accordance with the applicable manufacturer's specifications. In order to claim that a manufacturer's specification is not applicable, the person responsible for emissions must have, and follow, a written maintenance policy that was developed for the device in question. The written policy must explain and justify the difference between the written procedure and the manufacturer's procedure. [District Rule 4311, 6.9] Federally Enforceable Through Title V Permit
40. All in-line continuous analyzer and flow monitoring data must be continuously recorded by an electronic data acquisition system capable of one-minute averages. Flow monitoring data shall be recorded as one-minute averages. [District Rule 4311, 6.9] Federally Enforceable Through Title V Permit
41. Permittee shall keep accurate daily records of flare vent gas and pilot gas volumes and sulfur content of flared gas and such records shall be retained for a period of 5 years and be made readily available for District inspection upon request. [District Rule 2201]
42. Permittee shall maintain a copy of annual reports submitted to the APCO. [District Rule 4311, 6.1.6] Federally Enforceable Through Title V Permit
43. Records of flare maintenance, inspections, and repair shall be maintained. The records shall include identification of the equipment, date of inspection, corrective action taken, and identification of the individual performing the inspection. [District Rule 2520, 9.4.2] Federally Enforceable Through Title V Permit
44. Permittee shall maintain records of all monitoring data collected. [District Rule 4311, 6.1.7] Federally Enforceable Through Title V Permit
45. Compliance with the requirements for this permit unit shall be deemed compliance with District Rules 4201. A permit shield is granted from these requirements. [District Rule 2520, 13.2] Federally Enforceable Through Title V Permit

AUTHORITY TO CONSTRUCT

PERMIT NO: S-2234-204-3

ISSUANCE DATE: 04/11/2016

LEGAL OWNER OR OPERATOR: CALIFORNIA RESOURCES ELK HILLS, LLC
MAILING ADDRESS: 11109 RIVER RUN BLVD
BAKERSFIELD, CA 93311

LOCATION: GAS PLANT
SECTION SE-35, T-30S, R-23E
TUPMAN, CA

SECTION: 35 TOWNSHIP: 30S RANGE: 23E

EQUIPMENT DESCRIPTION:

MODIFICATION OF 7,300 MMBTU/HR HIGH PRESSURE FLARE SERVING LTS #1 PLANT: AUTHORIZE FLARES '8, '14, '204, '205 AND '235 FOR NON-EMERGENCY SERVICE AND ESTABLISH AN SLC

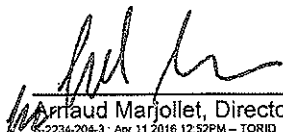
CONDITIONS

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 - 6,143 lb, 2nd quarter - 6,144 lb, 3rd quarter - 6,144 lb, and fourth quarter - 6,144 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. ERC Certificate Numbers S-4211-2 and S-4390-2 (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

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-2234-204-3 Apr 11 2016 12:52PM - 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 - 241 lb, 2nd quarter - 241 lb, 3rd quarter - 241 lb, and fourth quarter - 242 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. ERC Certificate Number N-1280-5 (or a certificate split from this certificate) shall be used to supply the required SOX 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 SOX emission reduction credits for the following quantity of emissions: 1st quarter - 671 lb, 2nd quarter - 671 lb, 3rd quarter - 671 lb, and fourth quarter - 671 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. ERC Certificate Number N-1280-5 (or a certificate split from this certificate) shall be used to supply the required PM10 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. Prior to operating equipment under this Authority to Construct, permittee shall surrender VOC emission reduction credits for the following quantity of emissions: 1st quarter - 4467 lb, 2nd quarter - 4468lb, 3rd quarter - 4468 lb, and fourth quarter - 4468 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
10. ERC Certificate Number S-4211-1 (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
11. The above offsets will satisfy the offset requirements for all of ATCs S-2234-8-4, '14-4, '204-3, '205-3 and '235-1 combined. [District Rule 2201] Federally Enforceable Through Title V Permit
12. A non-resettable, totalizing mass or volumetric fuel flow meter to measure the amount of vent gas combusted in the flare shall be installed, utilized and maintained [District Rule 2201] Federally Enforceable Through Title V Permit
13. A non-resettable, totalizing mass or volumetric fuel flow meter to measure the amount of pilot gas combusted shall be installed, utilized and maintained [District Rule 2201] Federally Enforceable Through Title V Permit
14. This flare shall be inspected every two weeks while in operation for visible emissions. If visible emissions are observed, corrective action shall be taken. If visible emissions continue, an EPA Method 9 test shall be conducted within 72 hours. [District Rule 2520, 9.3.2] Federally Enforceable Through Title V Permit
15. Particulate matter emissions shall not exceed 0.1 grains/dscf in concentration. [District Rule 4201] Federally Enforceable Through Title V Permit
16. A flame shall be present at all times in the flare whenever combustible gases are vented through the flare. [District Rule 4311, 5.2] Federally Enforceable Through Title V Permit
17. The flare outlet shall be equipped with an automatic ignition system, or, shall operate with a pilot flame present at all times when combustible gases are vented through the flare, except during purge periods for automatic-ignition equipped flares. [District Rule 4311, 5.3] Federally Enforceable Through Title V Permit
18. Except for flares equipped with a flow-sensing ignition system, a heat sensing device such as a thermocouple, ultraviolet beam sensor, infrared sensor, or an equivalent device, capable of continuously detecting at least one pilot flame or the flare flame is present, shall be installed and operated. [District Rule 4311, 5.4] Federally Enforceable Through Title V Permit

CONDITIONS CONTINUE ON NEXT PAGE

19. Flares that use flow-sensing automatic ignition systems and which do not use a continuous flame pilot shall use purge gas for purging. [District Rule 4311, 5.5] Federally Enforceable Through Title V Permit
20. Vent gas emission rates from this unit shall not exceed any of the following limits: 0.068 lb-NO_x/MMBtu; 0.00285 lb-SO_x/MMBtu; 0.008 lb-PM₁₀/MMBtu; 0.37 lb-CO/MMBtu; or 0.063 lb-VOC/MMBtu. [District Rule 2201] Federally Enforceable Through Title V Permit
21. Pilot emission rates from this unit shall not exceed any of the following limits: NO_x - 0.0094 lb/MMBtu; VOC - 0.0055 lb/MMBtu; CO - 0.04 lb/MMBtu; PM₁₀ - 0.076 lb/MMBtu; or SO_x - 0.00285 lb/MMBtu. [District Rule 2201] Federally Enforceable Through Title V Permit
22. Combined daily vent gas heat input from permit units S-2234-8, -14, -204, -205, and - 235 shall not exceed 30,938 MMBtu. [District Rule 2201] Federally Enforceable Through Title V Permit
23. Combined annual vent gas heat input from permit units S-2234-8, -14, -204, -205, and - 235 shall not exceed 185,625 MMBtu. [District Rule 2201] Federally Enforceable Through Title V Permit
24. Combined daily vent gas emissions from permit units S-2234-8, -14, -204, -205, and - 235 shall not exceed any of the following: 2,103.8 lb-NO_x; 88.2 lb-SO_x; 247.5 lb-PM₁₀; 11,447.1 lb-CO; 1,949.1 lb-VOC. [District Rule 2201] Federally Enforceable Through Title V Permit
25. Combined annual vent gas emissions from permit units S-2234-8, -14, -204, -205, and - 235 shall not exceed any of the following: 12,623 lb-NO_x; 529 lb-SO_x; 1,485 lb-PM₁₀; 68,681 lb-CO; 11,694 lb-VOC. [District Rule 2201] Federally Enforceable Through Title V Permit
26. Combined daily pilot gas heat input from permit units S-2234-8, -14, -204, -205, and - 235 shall not exceed 110 MMBtu. [District Rule 2201] Federally Enforceable Through Title V Permit
27. Combined annual pilot gas heat input from permit units S-2234-8, -14, -204, -205, and - 235 shall not exceed 40,000 MMBtu. [District Rule 2201] Federally Enforceable Through Title V Permit
28. Combined daily pilot gas emissions from permit units S-2234-8, -14, -204, -205, and - 235 shall not exceed any of the following: 10.3 lb-NO_x; 0.3 lb-SO_x; 0.8 lb-PM₁₀; 4.4 lb- CO; 0.6 lb-VOC. [District Rule 2201] Federally Enforceable Through Title V Permit
29. Combined annual pilot gas emissions from permit units S-2234-8, -14, -204, -205, and - 235 shall not exceed any of the following: 3,760 lb-NO_x; 114 lb-SO_x; 304 lb-PM₁₀; 1,600 lb-CO; 220 lb-VOC. [District Rule 2201] Federally Enforceable Through Title V Permit
30. The operator shall submit an annual report to the APCO within 30 days following the end of each 12 month period. The report shall include the following: 1) The total volumetric flow of vent gas in standard cubic feet for each day; 2) Hydrogen sulfide content, methane content, and hydrocarbon content of vent gas composition; 3) If vent gas composition is monitored by a continuous analyzer or analyzers, average total hydrocarbon content by volume, average methane content by volume, and depending upon the analytical method used, total reduced sulfur content by volume or hydrogen sulfide content by volume of vent gas flared for each hour of the month; 4) If the flow monitor used measures molecular weight, the average molecular weight for each hour of each month; 5) For any pilot and purge gas used, the type of gas used, the volumetric flow for each day and for each month, and the means used to determine the flow; 6) Flare monitoring system downtime periods, including dates and times; 7) For each day and for each month provide calculated sulfur dioxide emissions; and 8) A flow verification report. The flow verification report shall include flow verification testing using approved test methods. [District Rule 4311, 6.2.3] Federally Enforceable Through Title V Permit
31. Operators subject to vent gas composition monitoring requirements shall use the following test methods as appropriate, or by an alternative method approved by the APCO, ARB and EPA: Total hydrocarbon content and methane content of vent gas shall be determined using ASTM Method D 1945-96, ASTM Method UOP 539-97, EPA Method 18, or EPA Method 25A or 25B. Hydrogen sulfide content of vent gas shall be determined using ASTM Method D 1945-96, ASTM Method UOP 539-97, ASTM Method D 4084-94, or ASTM Method D 4810-88. [District Rule 4311, 6.3.4] Federally Enforceable Through Title V Permit

CONDITIONS CONTINUE ON NEXT PAGE

32. If vent gas composition is monitored with a continuous analyzer employing gas chromatography the minimum sampling frequency shall be one sample every 30 minutes. If vent gas composition is monitored using continuous analyzers not employing gas chromatography, the total reduced sulfur content of vent gas shall be determined by using EPA Method D4468-85. [District Rule 4311, 6.3.4] Federally Enforceable Through Title V Permit
33. Vent gas flow shall be determined using one or more of the following methods, or by any alternative method approved by the APCO, ARB, and EPA: 1) EPA Methods 1 and 2; 2) A verification method recommended by the manufacturer of the flow monitoring equipment installed; 3) Tracer gas dilution or velocity; or 4) Other flow monitors or process monitors that can provide comparison data on a vent stream that is being directed past the ultrasonic flow meter. [District Rule 6.3.4] Federally Enforceable Through Title V Permit
34. The operator shall monitor vent gas composition using one of the following five methods as appropriate. If flares share a common header, a sample from the header will be deemed representative of vent gas composition for all flares served by the header. The operator shall provide the APCO with access to the monitoring system to collect vent gas samples to verify the analysis. 1) Sampling that meets the following requirements: (a) If the flow rate of vent gas flared in any consecutive 15-minute period continuously exceeds 330 standard cubic feet per minute (SCFM), a sample shall be taken within 15 minutes. The sampling frequency thereafter shall be one sample every three hours and shall continue until the flow rate of vent gas flared in any consecutive 15-minute period is continuously 330 SCFM or less. In no case shall a sample be required more frequently than once every 3 hours. (b) Samples shall be analyzed using approved test methods; or 2) Integrated sampling that meets the following requirements: (a) If the flow rate of vent gas flared in any consecutive 15 minute period continuously exceeds 330 SCFM, integrated sampling shall begin within 15 minutes and shall continue until the flow rate of vent gas flared in any consecutive 15 minute period is continuously 330 SCFM or less. (b) Integrated sampling shall consist of a minimum of one aliquot for each 15-minute period until the sample container is full. If sampling is still required pursuant to part (a), a new sample container shall be placed in service within one hour after the previous sample was filled. A sample container shall not be used for a sampling period that exceeds 24 hours. (c) Samples shall be analyzed using approved test methods; or 3) Continuous analyzers that meet the following requirements: (a) The analyzers shall continuously monitor for total hydrocarbon methane, and depending upon the analytical method used pursuant to Section 6.3.4, hydrogen sulfide or total reduced sulfur. (b) The hydrocarbon analyzer shall have a full-scale range of 100% total hydrocarbon. (c) Each analyzer shall be maintained to be accurate to within 20% when compared to any field accuracy tests or to within 5% of full scale; or 4). Continuous analyzers employing gas chromatography that meet the following requirements: (a) The gas chromatography system shall monitor for total hydrocarbon, methane, and hydrogen sulfide. (b) The gas chromatography system shall be maintained to be accurate within 5% of full scale; or 5) Monitor sulfur content using a colorimetric tube system on a daily basis, and monitor vent gas hydrocarbon on a weekly basis by collecting samples and having them tested using approved test methods. [District Rule 4311, 6.6] Federally Enforceable Through Title V Permit
35. Permittee shall monitor the volumetric flows of purge and pilot gases with flow measuring devices or other parameters as specified on the Permit to Operate so that volumetric flows of pilot and purge gas may be calculated based on pilot design and the parameters monitored. [District Rule 4311, 6.7] Federally Enforceable Through Title V Permit
36. The operator of a flare with a water seal shall monitor and record the water level and pressure of the water seal daily or as specified on the Permit to Operate. [District Rule 4311, 6.8] Federally Enforceable Through Title V Permit
37. Periods of flare monitoring system inoperation greater than 24 continuous hours shall be reported by the following working day, followed by notification of resumption of monitoring. Periods of inoperation of monitoring equipment shall not exceed 14 days per any 18-consecutive-month period. Periods of flare monitoring system inoperation do not include the periods when the system feeding the flare is not operating. [District Rule 4311, 6.9] Federally Enforceable Through Title V Permit
38. During periods of inoperation of continuous analyzers or auto-samplers, operators responsible for monitoring shall take one sample within 30 minutes of the commencement of flaring, from the flare header or from an alternate location at which samples are representative of vent gas composition and have samples analyzed using approved test methods. During periods of inoperation of flow monitors, flow shall be calculated using good engineering practices. [District Rule 4311, 6.9] Federally Enforceable Through Title V Permit

CONDITIONS CONTINUE ON NEXT PAGE

39. Permittee shall maintain and calibrate all required monitors and recording devices in accordance with the applicable manufacturer's specifications. In order to claim that a manufacturer's specification is not applicable, the person responsible for emissions must have, and follow, a written maintenance policy that was developed for the device in question. The written policy must explain and justify the difference between the written procedure and the manufacturer's procedure. [District Rule 4311, 6.9] Federally Enforceable Through Title V Permit
40. All in-line continuous analyzer and flow monitoring data must be continuously recorded by an electronic data acquisition system capable of one-minute averages. Flow monitoring data shall be recorded as one-minute averages. [District Rule 4311, 6.9] Federally Enforceable Through Title V Permit
41. Permittee shall keep accurate daily records of flare vent gas and pilot gas volumes and sulfur content of flared gas and such records shall be retained for a period of 5 years and be made readily available for District inspection upon request. [District Rule 2201]
42. The permittee shall maintain a copy of annual reports submitted to the APCO. [District Rule 4311, 6.1.6] Federally Enforceable Through Title V Permit
43. Permittee shall maintain records of all monitoring data collected. [District Rule 4311, 6.1.7] Federally Enforceable Through Title V Permit



AUTHORITY TO CONSTRUCT

PERMIT NO: S-2234-205-3

ISSUANCE DATE: 04/11/2016

LEGAL OWNER OR OPERATOR: CALIFORNIA RESOURCES ELK HILLS, LLC
MAILING ADDRESS: 11109 RIVER RUN BLVD
BAKERSFIELD, CA 93311

LOCATION: GAS PLANT
SECTION SE-35, T-30S, R-23E
TUPMAN, CA

SECTION: 34 **TOWNSHIP:** 30S **RANGE:** 23E

EQUIPMENT DESCRIPTION:

MODIFICATION OF 7,300 MMBTU/HR HIGH PRESSURE FLARE SERVING LTS #2 PLANT: AUTHORIZE FLARES '8, '14, '204, '205 AND '235 FOR NON-EMERGENCY SERVICE AND ESTABLISH AN SLC

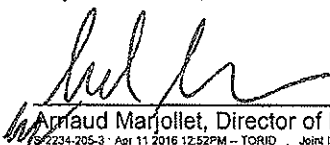
CONDITIONS

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 - 6,143 lb, 2nd quarter - 6,144 lb, 3rd quarter - 6,144 lb, and fourth quarter - 6,144 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. ERC Certificate Numbers S-4211-2 and S-4390-2 (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

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-2234-205-3 - Apr 11 2016 12:52PM -- 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 - 241 lb, 2nd quarter - 241 lb, 3rd quarter - 241 lb, and fourth quarter - 242 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. ERC Certificate Number N-1280-5 (or a certificate split from this certificate) shall be used to supply the required SOX 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 SOX emission reduction credits for the following quantity of emissions: 1st quarter - 671 lb, 2nd quarter - 671 lb, 3rd quarter - 671 lb, and fourth quarter - 671 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. ERC Certificate Number N-1280-5 (or a certificate split from this certificate) shall be used to supply the required PM10 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. Prior to operating equipment under this Authority to Construct, permittee shall surrender VOC emission reduction credits for the following quantity of emissions: 1st quarter - 4467 lb, 2nd quarter - 4468lb, 3rd quarter - 4468 lb, and fourth quarter - 4468 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
10. ERC Certificate Number S-4211-1 (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
11. The above offsets will satisfy the offset requirements for all of ATCs S-2234-8-4, '14-4, '204-3, '205-3 and '235-1 combined. [District Rule 2201] Federally Enforceable Through Title V Permit
12. A non-resettable, totalizing mass or volumetric fuel flow meter to measure the amount of vent gas combusted in the flare shall be installed, utilized and maintained [District Rule 2201] Federally Enforceable Through Title V Permit
13. A non-resettable, totalizing mass or volumetric fuel flow meter to measure the amount of pilot gas combusted shall be installed, utilized and maintained [District Rule 2201] Federally Enforceable Through Title V Permit
14. This flare shall be inspected every two weeks while in operation for visible emissions. If visible emissions are observed, corrective action shall be taken. If visible emissions continue, an EPA Method 9 test shall be conducted within 72 hours. [District Rule 2520, 9.3.2] Federally Enforceable Through Title V Permit
15. Particulate matter emissions shall not exceed 0.1 grains/dscf in concentration. [District Rule 4201] Federally Enforceable Through Title V Permit
16. A flame shall be present at all times in the flare whenever combustible gases are vented through the flare. [District Rule 4311, 5.2] Federally Enforceable Through Title V Permit
17. The flare outlet shall be equipped with an automatic ignition system, or, shall operate with a pilot flame present at all times when combustible gases are vented through the flare, except during purge periods for automatic-ignition equipped flares. [District Rule 4311, 5.3] Federally Enforceable Through Title V Permit
18. Except for flares equipped with a flow-sensing ignition system, a heat sensing device such as a thermocouple, ultraviolet beam sensor, infrared sensor, or an equivalent device, capable of continuously detecting at least one pilot flame or the flare flame is present, shall be installed and operated. [District Rule 4311, 5.4] Federally Enforceable Through Title V Permit

CONDITIONS CONTINUE ON NEXT PAGE

19. Flares that use flow-sensing automatic ignition systems and which do not use a continuous flame pilot shall use purge gas for purging. [District Rule 4311, 5.5] Federally Enforceable Through Title V Permit
20. Vent gas emission rates from this unit shall not exceed any of the following limits: 0.068 lb-NO_x/MMBtu; 0.00285 lb-SO_x/MMBtu; 0.008 lb-PM₁₀/MMBtu; 0.37 lb-CO/MMBtu; or 0.063 lb-VOC/MMBtu. [District Rule 2201] Federally Enforceable Through Title V Permit
21. Pilot emission rates from this unit shall not exceed any of the following limits: NO_x - 0.0094 lb/MMBtu; VOC - 0.0055 lb/MMBtu; CO - 0.04 lb/MMBtu; PM₁₀ - 0.076 lb/MMBtu; or SO_x - 0.00285 lb/MMBtu. [District Rule 2201] Federally Enforceable Through Title V Permit
22. Combined daily vent gas heat input from permit units S-2234-8, -14, -204, -205, and - 235 shall not exceed 30,938 MMBtu. [District Rule 2201] Federally Enforceable Through Title V Permit
23. Combined annual vent gas heat input from permit units S-2234-8, -14, -204, -205, and - 235 shall not exceed 185,625 MMBtu. [District Rule 2201] Federally Enforceable Through Title V Permit
24. Combined daily vent gas emissions from permit units S-2234-8, -14, -204, -205, and - 235 shall not exceed any of the following: 2,103.8 lb-NO_x; 88.2 lb-SO_x; 247.5 lb-PM₁₀; 11,447.1 lb-CO; 1,949.1 lb-VOC. [District Rule 2201] Federally Enforceable Through Title V Permit
25. Combined annual vent gas emissions from permit units S-2234-8, -14, -204, -205, and - 235 shall not exceed any of the following: 12,623 lb-NO_x; 529 lb-SO_x; 1,485 lb-PM₁₀; 68,681 lb-CO; 11,694 lb-VOC. [District Rule 2201] Federally Enforceable Through Title V Permit
26. Combined daily pilot gas heat input from permit units S-2234-8, -14, -204, -205, and - 235 shall not exceed 110 MMBtu. [District Rule 2201] Federally Enforceable Through Title V Permit
27. Combined annual pilot gas heat input from permit units S-2234-8, -14, -204, -205, and - 235 shall not exceed 40,000 MMBtu. [District Rule 2201] Federally Enforceable Through Title V Permit
28. Combined daily pilot gas emissions from permit units S-2234-8, -14, -204, -205, and - 235 shall not exceed any of the following: 10.3 lb-NO_x; 0.3 lb-SO_x; 0.8 lb-PM₁₀; 4.4 lb- CO; 0.6 lb-VOC. [District Rule 2201] Federally Enforceable Through Title V Permit
29. Combined annual pilot gas emissions from permit units S-2234-8, -14, -204, -205, and - 235 shall not exceed any of the following: 3,760 lb-NO_x; 114 lb-SO_x; 304 lb-PM₁₀; 1,600 lb-CO; 220 lb-VOC. [District Rule 2201] Federally Enforceable Through Title V Permit
30. The operator shall submit an annual report to the APCO within 30 days following the end of each 12 month period. The report shall include the following: 1) The total volumetric flow of vent gas in standard cubic feet for each day; 2) Hydrogen sulfide content, methane content, and hydrocarbon content of vent gas composition; 3) If vent gas composition is monitored by a continuous analyzer or analyzers, average total hydrocarbon content by volume, average methane content by volume, and depending upon the analytical method used, total reduced sulfur content by volume or hydrogen sulfide content by volume of vent gas flared for each hour of the month; 4) If the flow monitor used measures molecular weight, the average molecular weight for each hour of each month; 5) For any pilot and purge gas used, the type of gas used, the volumetric flow for each day and for each month, and the means used to determine the flow; 6) Flare monitoring system downtime periods, including dates and times; 7) For each day and for each month provide calculated sulfur dioxide emissions; and 8) A flow verification report. The flow verification report shall include flow verification testing using approved test methods. [District Rule 4311, 6.2.3] Federally Enforceable Through Title V Permit
31. Operators subject to vent gas composition monitoring requirements shall use the following test methods as appropriate, or by an alternative method approved by the APCO, ARB and EPA: Total hydrocarbon content and methane content of vent gas shall be determined using ASTM Method D 1945-96, ASTM Method UOP 539-97, EPA Method 18, or EPA Method 25A or 25B. Hydrogen sulfide content of vent gas shall be determined using ASTM Method D 1945-96, ASTM Method UOP 539-97, ASTM Method D 4084-94, or ASTM Method D 4810-88. [District Rule 4311, 6.3.4] Federally Enforceable Through Title V Permit

CONDITIONS CONTINUE ON NEXT PAGE

32. If vent gas composition is monitored with a continuous analyzer employing gas chromatography the minimum sampling frequency shall be one sample every 30 minutes. If vent gas composition is monitored using continuous analyzers not employing gas chromatography, the total reduced sulfur content of vent gas shall be determined by using EPA Method D4468-85. [District Rule 4311, 6.3.4] Federally Enforceable Through Title V Permit
33. Vent gas flow shall be determined using one or more of the following methods, or by any alternative method approved by the APCO, ARB, and EPA: 1) EPA Methods 1 and 2; 2) A verification method recommended by the manufacturer of the flow monitoring equipment installed; 3) Tracer gas dilution or velocity; or 4) Other flow monitors or process monitors that can provide comparison data on a vent stream that is being directed past the ultrasonic flow meter. [District Rule 6.3.4] Federally Enforceable Through Title V Permit
34. The operator shall monitor vent gas composition using one of the following five methods as appropriate. If flares share a common header, a sample from the header will be deemed representative of vent gas composition for all flares served by the header. The operator shall provide the APCO with access to the monitoring system to collect vent gas samples to verify the analysis. 1) Sampling that meets the following requirements: (a) If the flow rate of vent gas flared in any consecutive 15-minute period continuously exceeds 330 standard cubic feet per minute (SCFM), a sample shall be taken within 15 minutes. The sampling frequency thereafter shall be one sample every three hours and shall continue until the flow rate of vent gas flared in any consecutive 15-minute period is continuously 330 SCFM or less. In no case shall a sample be required more frequently than once every 3 hours. (b) Samples shall be analyzed using approved test methods; or 2) Integrated sampling that meets the following requirements: (a) If the flow rate of vent gas flared in any consecutive 15 minute period continuously exceeds 330 SCFM, integrated sampling shall begin within 15 minutes and shall continue until the flow rate of vent gas flared in any consecutive 15 minute period is continuously 330 SCFM or less. (b) Integrated sampling shall consist of a minimum of one aliquot for each 15-minute period until the sample container is full. If sampling is still required pursuant to part (a), a new sample container shall be placed in service within one hour after the previous sample was filled. A sample container shall not be used for a sampling period that exceeds 24 hours. (c) Samples shall be analyzed using approved test methods; or 3) Continuous analyzers that meet the following requirements: (a) The analyzers shall continuously monitor for total hydrocarbon methane, and depending upon the analytical method used pursuant to Section 6.3.4, hydrogen sulfide or total reduced sulfur. (b) The hydrocarbon analyzer shall have a full-scale range of 100% total hydrocarbon. (c) Each analyzer shall be maintained to be accurate to within 20% when compared to any field accuracy tests or to within 5% of full scale; or 4). Continuous analyzers employing gas chromatography that meet the following requirements: (a) The gas chromatography system shall monitor for total hydrocarbon, methane, and hydrogen sulfide. (b) The gas chromatography system shall be maintained to be accurate within 5% of full scale; or 5) Monitor sulfur content using a colorimetric tube system on a daily basis, and monitor vent gas hydrocarbon on a weekly basis by collecting samples and having them tested using approved test methods. [District Rule 4311, 6.6] Federally Enforceable Through Title V Permit
35. Permittee shall monitor the volumetric flows of purge and pilot gases with flow measuring devices or other parameters as specified on the Permit to Operate so that volumetric flows of pilot and purge gas may be calculated based on pilot design and the parameters monitored. [District Rule 4311, 6.7] Federally Enforceable Through Title V Permit
36. The operator of a flare with a water seal shall monitor and record the water level and pressure of the water seal daily or as specified on the Permit to Operate. [District Rule 4311, 6.8] Federally Enforceable Through Title V Permit
37. Periods of flare monitoring system inoperation greater than 24 continuous hours shall be reported by the following working day, followed by notification of resumption of monitoring. Periods of inoperation of monitoring equipment shall not exceed 14 days per any 18-consecutive-month period. Periods of flare monitoring system inoperation do not include the periods when the system feeding the flare is not operating. [District Rule 4311, 6.9] Federally Enforceable Through Title V Permit
38. During periods of inoperation of continuous analyzers or auto-samplers, operators responsible for monitoring shall take one sample within 30 minutes of the commencement of flaring, from the flare header or from an alternate location at which samples are representative of vent gas composition and have samples analyzed using approved test methods. During periods of inoperation of flow monitors, flow shall be calculated using good engineering practices. [District Rule 4311, 6.9] Federally Enforceable Through Title V Permit

CONDITIONS CONTINUE ON NEXT PAGE

39. Permittee shall maintain and calibrate all required monitors and recording devices in accordance with the applicable manufacturer's specifications. In order to claim that a manufacturer's specification is not applicable, the person responsible for emissions must have, and follow, a written maintenance policy that was developed for the device in question. The written policy must explain and justify the difference between the written procedure and the manufacturer's procedure. [District Rule 4311, 6.9] Federally Enforceable Through Title V Permit
40. Permittee shall keep accurate daily records of flare vent gas and pilot gas volumes and sulfur content of flared gas and such records shall be retained for a period of 5 years and be made readily available for District inspection upon request. [District Rule 2201]
41. All in-line continuous analyzer and flow monitoring data must be continuously recorded by an electronic data acquisition system capable of one-minute averages. Flow monitoring data shall be recorded as one-minute averages. [District Rule 4311, 6.9] Federally Enforceable Through Title V Permit
42. Permittee shall maintain a copy of annual reports submitted to the APCO. [District Rule 4311, 6.1.6] Federally Enforceable Through Title V Permit
43. Permittee shall maintain records of all monitoring data collected. [District Rule 4311, 6.1.7] Federally Enforceable Through Title V Permit



AUTHORITY TO CONSTRUCT

PERMIT NO: S-2234-235-1

ISSUANCE DATE: 04/11/2016

LEGAL OWNER OR OPERATOR: CALIFORNIA RESOURCES ELK HILLS, LLC
MAILING ADDRESS: 11109 RIVER RUN BLVD
BAKERSFIELD, CA 93311

LOCATION: GAS PLANT
SECTION SE-35, T-30S, R-23E
TUPMAN, CA

SECTION: NW35 **TOWNSHIP:** 30S **RANGE:** 23E

EQUIPMENT DESCRIPTION:

MODIFICATION OF 250 MMSCF/DAY EMERGENCY USE SMOKELESS SONIC FLARE WITH FLARE HEADER AND FLARE KNOCK OUT DRUM (REVISED 12/15/10): AUTHORIZE FLARES '8, '14, '204, '205 AND '235 FOR NON-EMERGENCY SERVICE AND ESTABLISH AN SLC

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 - 6,143 lb, 2nd quarter - 6,144 lb, 3rd quarter - 6,144 lb, and fourth quarter - 6,144 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. ERC Certificate Numbers S-4211-2 and S-4390-2 (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

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-2234-235-1 : Apr 11 2016 12:52PM -- 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 - 241 lb, 2nd quarter - 241 lb, 3rd quarter - 241 lb, and fourth quarter - 242 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. ERC Certificate Number N-1280-5 (or a certificate split from this certificate) shall be used to supply the required SOX 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 SOX emission reduction credits for the following quantity of emissions: 1st quarter - 671 lb, 2nd quarter - 671 lb, 3rd quarter - 671 lb, and fourth quarter - 671 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. ERC Certificate Number N-1280-5 (or a certificate split from this certificate) shall be used to supply the required PM10 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. Prior to operating equipment under this Authority to Construct, permittee shall surrender VOC emission reduction credits for the following quantity of emissions: 1st quarter - 4467 lb, 2nd quarter - 4468lb, 3rd quarter - 4468 lb, and fourth quarter - 4468 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
10. ERC Certificate Number S-4211-1 (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
11. The above offsets will satisfy the offset requirements for all of ATCs S-2234-8-4, '14-4, '204-3, '205-3 and '235-1 combined. [District Rule 2201] Federally Enforceable Through Title V Permit
12. A non-resettable, totalizing mass or volumetric fuel flow meter to measure the amount of vent gas combusted in the flare shall be installed, utilized and maintained [District Rule 2201] Federally Enforceable Through Title V Permit
13. A non-resettable, totalizing mass or volumetric fuel flow meter to measure the amount of pilot gas combusted shall be installed, utilized and maintained [District Rule 2201] Federally Enforceable Through Title V Permit
14. Permittee shall maintain with the permit accurate fugitive component counts and resulting emissions calculated using (ALR) equations for a 2,000 ppmv leak threshold included in EPA, "Protocol for Estimating Leak Emissions" (EPA - 453/R-95-017, November 1995). [District Rule 2201] Federally Enforceable Through Title V Permit
15. A leak-free condition is defined as a condition without a gas leak or a liquid leak. A gas leak is defined as a reading in excess of 2,000 parts per million by volume (ppmv), as methane, above background on a portable hydrocarbon detection instrument that is calibrated to methane in accordance with the procedures specified in EPA Test Method 21. A liquid leak is defined as the dripping of organic liquid at a rate more than 3 drops per minute. A gas or liquid leak is a violation of this permit and shall be reported as a deviation. [District Rule 2201] Federally Enforceable Through Title V Permit
16. BACT Requirement Any leak greater than 500 ppmv for pump seals and compressor seals and 100 ppmv for valves and connectors, when measured with a portable hydrocarbon detection instrument calibrated with methane in accordance with EPA Method 21 or leaking at a rate of greater than 3 drops of liquid per minute, shall be repaired in a manner consistent with the procedures specified in Rule 4409 (adopted April 20, 2005). This requirement shall not apply to inaccessible or unsafe-to-access components as identified in the revised Operator Management Plan required by Rule 4409. [District Rules 2201 and 4409] Federally Enforceable Through Title V Permit

CONDITIONS CONTINUE ON NEXT PAGE

17. VOC fugitive emissions shall not exceed 0.2 lb/day. [District Rule 2201] Federally Enforceable Through Title V Permit
18. Flare shall not operate with visible emissions darker than 5% opacity or 1/4 Ringelmann for a period or periods aggregating more than three minutes in any one hour. [District Rule 2201] Federally Enforceable Through Title V Permit
19. A flame shall be present at all times when combustible gases are vented through this flare. [District Rule 2201] Federally Enforceable Through Title V Permit
20. Flare shall be equipped with continuous pilot light or automatic re-ignition provisions. [District Rule 2201] Federally Enforceable Through Title V Permit
21. Sulfur compound concentration of gas combusted shall not exceed 1.0 gr S/100 scf (16.9 ppmv H₂S). [District Rule 2201] Federally Enforceable Through Title V Permit
22. Only natural gas with a sulfur content not exceeding 1.0 gr S/100scf shall be used as pilot fuel. [District Rule 2201] Federally Enforceable Through Title V Permit
23. Vent gas emission rates from this unit shall not exceed any of the following limits: NO_x - 0.068 lb/MMBtu; VOC - 0.063 lb/MMBtu; CO - 0.37 lb/MMBtu; PM₁₀ - 0.008 lb/MMBtu; or SO_x - 0.00285 lb/MMBtu. [District Rule 2201] Federally Enforceable Through Title V Permit
24. Pilot emission rates from this unit shall not exceed any of the following limits: NO_x - 0.0094 lb/MMBtu; VOC - 0.0055 lb/MMBtu; CO - 0.04 lb/MMBtu; PM₁₀ - 0.076 lb/MMBtu; or SO_x - 0.00285 lb/MMBtu. [District Rule 2201] Federally Enforceable Through Title V Permit
25. Combined daily vent gas heat input from permit units S-2234-8, -14, -204, -205, and - 235 shall not exceed 30,938 MMBtu. [District Rule 2201] Federally Enforceable Through Title V Permit
26. Combined annual vent gas heat input from permit units S-2234-8, -14, -204, -205, and - 235 shall not exceed 185,625 MMBtu. [District Rule 2201] Federally Enforceable Through Title V Permit
27. Combined daily vent gas emissions from permit units S-2234-8, -14, -204, -205, and - 235 shall not exceed any of the following: 2,103.8 lb-NO_x; 88.2 lb-SO_x; 247.5 lb-PM₁₀; 11,447.1 lb-CO; 1,949.1 lb-VOC. [District Rule 2201] Federally Enforceable Through Title V Permit
28. Combined annual vent gas emissions from permit units S-2234-8, -14, -204, -205, and - 235 shall not exceed any of the following: 12,623 lb-NO_x; 529 lb-SO_x; 1,485 lb-PM₁₀; 68,681 lb-CO; 11,694 lb-VOC. [District Rule 2201] Federally Enforceable Through Title V Permit
29. Combined daily pilot gas heat input from permit units S-2234-8, -14, -204, -205, and - 235 shall not exceed 110 MMBtu. [District Rule 2201] Federally Enforceable Through Title V Permit
30. Combined annual pilot gas heat input from permit units S-2234-8, -14, -204, -205, and - 235 shall not exceed 40,000 MMBtu. [District Rule 2201] Federally Enforceable Through Title V Permit
31. Combined daily pilot gas emissions from permit units S-2234-8, -14, -204, -205, and - 235 shall not exceed any of the following: 10.3 lb-NO_x; 0.3 lb-SO_x; 0.8 lb-PM₁₀; 4.4 lb- CO; 0.6 lb-VOC. [District Rule 2201] Federally Enforceable Through Title V Permit
32. Combined annual pilot gas emissions from permit units S-2234-8, -14, -204, -205, and - 235 shall not exceed any of the following: 3,760 lb-NO_x; 114 lb-SO_x; 304 lb-PM₁₀; 1,600 lb-CO; 220 lb-VOC. [District Rule 2201] Federally Enforceable Through Title V Permit

CONDITIONS CONTINUE ON NEXT PAGE

33. The operator shall submit an annual report to the APCO within 30 days following the end of each 12 month period. The report shall include the following: 1) The total volumetric flow of vent gas in standard cubic feet for each day; 2) Hydrogen sulfide content, methane content, and hydrocarbon content of vent gas composition; 3) If vent gas composition is monitored by a continuous analyzer or analyzers, average total hydrocarbon content by volume, average methane content by volume, and depending upon the analytical method used, total reduced sulfur content by volume or hydrogen sulfide content by volume of vent gas flared for each hour of the month; 4) If the flow monitor used measures molecular weight, the average molecular weight for each hour of each month; 5) For any pilot and purge gas used, the type of gas used, the volumetric flow for each day and for each month, and the means used to determine the flow; 6) Flare monitoring system downtime periods, including dates and times; 7) For each day and for each month provide calculated sulfur dioxide emissions; and 8) A flow verification report. The flow verification report shall include flow verification testing using approved test methods. [District Rule 4311, 6.2.3] Federally Enforceable Through Title V Permit
34. Permittee shall measure sulfur content of gas incinerated in flare within 60 days of startup and at least once every year thereafter. Such data shall be submitted to the District within 60 days of sample collection. [District Rules 2201 and 4801] Federally Enforceable Through Title V Permit
35. Permittee shall determine sulfur content of gas flared using ASTM method D3246 or double GC for H₂S and mercaptans. [District Rule 2201] Federally Enforceable Through Title V Permit
36. The higher heating value of the flared gas shall be monitored at least quarterly. [District Rules 1070 and 2201] Federally Enforceable Through Title V Permit
37. Permittee shall keep accurate records of daily and annual quantity of gas combusted. [District Rule 2201] Federally Enforceable Through Title V Permit
38. Measured heating value and quantity of gas flared shall be used to determine compliance with heat input limits. [District Rule 2201] Federally Enforceable Through Title V Permit
39. When combustible gases are vented to the flare, flare shall be equipped with a heat sensing device to detect the presence of a propane or natural gas pilot flame which is burning at all times. [District Rule 4311]
40. Permittee shall comply with applicable monitoring, inspection, maintenance, and recordkeeping, and reporting requirements of 40 CFR Part 60 Subpart KKK and Rule 4409. [40 CFR Part 60 Subpart KKK and District Rule 4409] Federally Enforceable Through Title V Permit
41. Permittee shall keep accurate daily records of flare vent gas and pilot gas volumes and sulfur content of flared gas and such records shall be retained for a period of 5 years and be made readily available for District inspection upon request. [District Rule 2201]
42. 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]