



MAR 27 2017

Mr. John Haley
Aera Energy, LLC
10000 Ming Avenue
Bakersfield, CA 93311

**Re: Notice of Final Action - Significant Title V Permit Modification
District Facility # S-1547
Project # S-1163521**

Dear Mr. Haley:

The Air Pollution Control Officer has modified the Title V permit for Aera Energy, LLC at the Moco Lease in the Midway Sunset Oilfield incorporating S-1547-819-11. Aera Energy LLC. revised the well vapor control system sulfur monitoring conditions.

Enclosed is the modified Title V permit. The application and proposal were sent to CARB and US EPA Region IX on January 3, 2017. No comments were received following the District's preliminary decision on this project.

The notice of final decision for this project will be published approximately three days from the date of this letter.

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

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
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Southern Region
34946 Flyover Court
Bakersfield, CA 93308-9725
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San Joaquin Valley
AIR POLLUTION CONTROL DISTRICT



Facility # S-1547
AERA ENERGY LLC
PO BOX 11164
BAKERSFIELD, CA 93389-1164

Notice of Permit Issuance

The enclosed permit unit requirements authorize the operation of the equipment as described. These permit unit requirements supersede any and all previous permits for the specified equipment.* Please insert these documents into the Facility Permit to Operate, and post copies on or near the equipment as required by District Rule 2010.

Please contact any of our Small Business Assistance (SBA) staff at the numbers below if you have any questions:

Modesto:	(209) 557-6446
Fresno:	(559) 230-5888
Bakersfield:	(661) 392-5665

*Failure to comply with the permit unit requirements may result in enforcement action.

San Joaquin Valley Air Pollution Control District

PERMIT UNIT: S-1547-819-11

EXPIRATION DATE: 05/31/2016

SECTION: 35 **TOWNSHIP:** 12N **RANGE:** 24W

EQUIPMENT DESCRIPTION:

TEOR OPERATION W/ UP TO 900 STEAM DRIVE WELLS SERVED BY WELL CASING VENT VAPOR CONTROL AND CONTROL SYSTEM

PERMIT UNIT REQUIREMENTS

1. Fugitive VOC emissions from all components associated with this operation shall not exceed 410.6 lb/day. [District Rule 2201] Federally Enforceable Through Title V Permit
2. Permittee shall maintain for a period of five years, accurate records of fugitive inspection component counts, leak screening values in excess of 10,000 ppm, and shall, as approved by the District, calculate fugitive emissions using February 1999 CAPCOA California Implementation Guidelines for Estimating Mass Emissions of Fugitive Hydrocarbon Leaks at Petroleum Facilities Table IV-2c. Permittee shall make records of component counts, screening values, and calculations readily available for District inspection upon request. [District Rule 2201] Federally Enforceable Through Title V Permit
3. Operation shall include liquid knockout vessels (separators), heat exchangers, and vapor compressors. [District Rule 2201] Federally Enforceable Through Title V Permit
4. Operation shall include vapor collection piping network from well vent vapor control system and tank battery vapor control system S-1547-843 to sulfur scrubbing systems (primary & standby). [District Rule 2201] Federally Enforceable Through Title V Permit
5. Permittee shall maintain a current roster of wells connected to the casing collection system, and such roster shall be made readily available for District inspection upon request [District Rule 2201] Federally Enforceable Through Title V Permit
6. Primary sulfur scrubbing system shall include casing gas coolers and pumps, contactor vessels and separators, regenerator section with heat exchangers, recirculation pump & air blower, and chemical storage tanks. [District Rule 2201] Federally Enforceable Through Title V Permit
7. Standby sulfur scrubbing system shall include contactor vessels and separators. [District Rule 2201] Federally Enforceable Through Title V Permit
8. Sulfur scrubbing system(s) shall use District approved scrubbing agents including, Exxon Sulfa Check, DOW Sulferox, WESCHEM Sulfarid, SulfaScrub, and Betz DX-1026 Formulations. [District Rule 2201] Federally Enforceable Through Title V Permit
9. Prior District approval shall be obtained for using alternative sulfur scrubbing agents other than those listed above. [District Rule 2201] Federally Enforceable Through Title V Permit
10. Casing vapor collection system shall be equipped with vapor flow rate indicator/recorder downstream of condensation and sulfur removal equipment measuring total non-condensable vapor flow rate. [District Rule 2201] Federally Enforceable Through Title V Permit
11. All wells approved by this permit shall have the well head casing vents routed to the TEOR well vent vapor control system. [District Rule 2201] Federally Enforceable Through Title V Permit

PERMIT UNIT REQUIREMENTS CONTINUE ON NEXT PAGE
These terms and conditions are part of the Facility-wide Permit to Operate.

12. Well casing vents may be closed provided produced fluids are handled only in production facilities with District-approved emission control systems achieving at least 99% control. [District Rule 2201 and District Rule 4401] Federally Enforceable Through Title V Permit
13. An inspection and maintenance program consistent with Rule 4403 for light oil production facilities shall be implemented for stuffing boxes and polish rods of 479 newly authorized steam drive wells (identified by well roster). [District Rule 2201] Federally Enforceable Through Title V Permit
14. Sulfur bin ventilation (if applicable) shall be vented to one or more of the District approved steam generators connected to desulfurized casing gas piping network. [District Rule 2201] Federally Enforceable Through Title V Permit
15. During temporary periods of maintenance covered in the permittee's bi-annual maintenance plan the permittee may conduct maintenance or repair activities contained in the District approved bi-annual maintenance plan without shutting-in production from wells served by the well vent vapor collection system, for no more than a total of 336 hours during any one calendar year for each system. Maintenance covered by the permittee's bi-annual maintenance plan may exceed 336 hours during any one calendar year when maintenance is performed while all casing well vents covered by this permit are closed. When multiple vapor recovery systems serve the same wells in series or in parallel, a total of 336 hours of maintenance shall be allowed for all systems combined. [District Rule 2201] Federally Enforceable Through Title V Permit
16. During temporary periods of maintenance covered in the permittee's bi-annual maintenance plan, well vent vapor recovery piping may be temporarily shut-in or isolated for routine maintenance or repair activities without closing the well vents normally served by a well vent vapor collection system provided that well vent vapors are routed to a vapor recovery system that complies with District rule 4401 and all otherwise applicable provisions of this permit. [District Rule 2201 and District Rule 4401] Federally Enforceable Through Title V Permit
17. Well vent vapor collection system piping and components shall be maintained as required by Rule 4401, and well vent vapors shall not be vented or bled-off to the atmosphere except for those actions necessary to safely isolate vessels and piping for routine maintenance. [District Rule 2201 and District Rule 4401] Federally Enforceable Through Title V Permit
18. The District shall be notified at least 48 hours prior to the start of each maintenance program. No later than 10 days after completing each maintenance episode, the permittee shall notify the District in writing of the date, time, duration, well number(s), and description of the maintenance or repair activity completed. [District Rule 2201] Federally Enforceable Through Title V Permit
19. Permittee shall maintain records of the date, time, and duration of each maintenance or repair episode requiring the temporary isolation of well vent vapor recovery piping. Such records shall include well identification numbers and a description of the maintenance or repair activity completed, and shall be maintained for a period of up to 5 years, and be made readily available to the District upon request. [District Rule 2201 and District Rule 1070] Federally Enforceable Through Title V Permit
20. Permittee shall submit to the District bi-annual maintenance plans. The maintenance plan must identify each permit unit and illustrate them on a detailed map of the system, identify the period and duration of each maintenance episode for each system, an estimate of VOC emissions released during maintenance, and the procedures that will be used to maintain and isolate affected equipment. [District Rule 2201] Federally Enforceable Through Title V Permit
21. Non-condensable gas shall be scrubbed by sulfur scrubbing systems prior to incineration in steam generators S-1547-766 to '-772, '-777 to '-781, or other District approved steam generators. [District Rule 2201] Federally Enforceable Through Title V Permit
22. Liquid condensate from vapor recovery piping, condensation, and sulfur scrubbing systems shall be pumped to production manifold. [District Rule 2201] Federally Enforceable Through Title V Permit
23. Non-condensable gas from vapor control system shall not be vented to atmosphere. [District Rule 2201] Federally Enforceable Through Title V Permit
24. Maximum gas flow rate from well casing vent vapor control system shall not exceed 4.09 MMscf/day. [District Rule 2201] Federally Enforceable Through Title V Permit

PERMIT UNIT REQUIREMENTS CONTINUE ON NEXT PAGE

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25. Total mass flow rate of sulfur compounds from sulfur scrubbing systems shall not exceed 258.0 lb/day as S. [District Rule 2201] Federally Enforceable Through Title V Permit
26. Permittee shall maintain accurate daily records of gas flowrate leaving sulfur scrubbing systems, and sulfur content (by daily gas sampling) of non-condensable gas leaving sulfur scrubbing systems. [District Rule 2201] Federally Enforceable Through Title V Permit
27. Particulate matter (as PM10) emissions from TEOR gas incineration shall not exceed 55.9 lb/day (shared with all District approved steam generators). [District Rule 2201] Federally Enforceable Through Title V Permit
28. The requirements of SJVUAPCD Rule 4407 (Adopted May 19, 1994) do not apply to this permit unit. A permit shield is granted from this requirement. [District Rule 2520, 13.2] Federally Enforceable Through Title V Permit
29. During the time any steam-enhanced crude oil production well is undergoing service or repair while the well is not producing, it shall be exempt from the emission control requirements of District Rule 4401. [District Rule 4401, 4.1] Federally Enforceable Through Title V Permit
30. The inspection requirements of Section 5.4.1 through Section 5.4.7 of Rule 4401 shall not apply to components exclusively handling gas/vapor or liquid with a VOC content of ten percent by weight (10%) or less, as determined by the test methods in Section 6.3.4 of Rule 4401. [District Rule 4401, 4.7] Federally Enforceable Through Title V Permit
31. Gas and liquid leaks are as defined in Section 3.20 of Rule 4401. [District Rule 4401, 3.20] Federally Enforceable Through Title V Permit
32. An operator shall be in violation of this rule if any District inspection demonstrates or if any operator inspection conducted pursuant to Section 5.4 of Rule 4401 demonstrates the existence of any combination of components with minor liquid leaks, minor gas leaks, or a gas leaks greater than 10,000 ppmv up to 50,000 ppmv that totals more than number of leaks allowed by Table 2 of Rule 4401. [District Rule 4401, 5.2.2] Federally Enforceable Through Title V Permit
33. An operator shall not use any component with a leak as defined in Section 3.0 of Rule 4401, or that is found to be in violation of the provisions of Section 5.2.2 of Rule 4401. However, components that were found leaking may be used provided such leaking components have been identified with a tag for repair, are repaired, or awaiting re-inspection after being repaired within the applicable time frame specified in Section 5.5 of Rule 4401. [District Rule 4401, 5.3.1] Federally Enforceable Through Title V Permit
34. Each hatch shall be closed at all times except during sampling or adding of process material through the hatch, or during attended repair, replacement, or maintenance operations, provided such activities are done as expeditiously as possible with minimal spillage of material and VOC emissions to the atmosphere. [District Rule 4401, 5.3.2] Federally Enforceable Through Title V Permit
35. An operator shall comply with the requirements of Section 6.7 of Rule 4401 if there is any change in the description of major components or critical components. [District Rule 4401, 5.3.3] Federally Enforceable Through Title V Permit
36. Except for pipes and unsafe-to-monitor components, an operator shall inspect all other components pursuant to the requirements of Section 6.3.3 of Rule 4401 at least once every year. [District Rule 4401, 5.4.1] Federally Enforceable Through Title V Permit
37. An operator shall visually inspect all pipes at least once every year. Any visual inspection of pipes that indicates a leak that cannot be immediately repaired to meet the leak standards of this rule shall be inspected within 24 hours after detecting the leak. If a leak is found, the leak shall be repaired as soon as practicable but not later than the time frame specified in Table 3 of Rule 4401. [District Rule 4401, 5.4.2] Federally Enforceable Through Title V Permit

PERMIT UNIT REQUIREMENTS CONTINUE ON NEXT PAGE
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38. In addition to the inspections required by Section 5.4.1 of Rule 4401, an operator shall inspect for leaks all accessible operating pumps, compressors, and PRDs in service as follows: An operator shall audio-visually (by hearing and by sight) inspect for leaks all accessible operating pumps, compressors, and PRDs in service at least once each calendar week. Any audio-visual inspection of an accessible operating pump, compressor, and PRD performed by an operator that indicates a leak that cannot be immediately repaired to meet the leak standards of this rule shall be inspected not later than 24 hours after conducting the audio-visual inspection. If a leak is found, the leak shall be repaired as soon as practicable but not later than the time frame specified in Table 3 of Rule 4401. [District Rule 4401, 5.4.3] Federally Enforceable Through Title V Permit
39. In addition to the inspections required by Sections 5.4.1, 5.4.2 and 5.4.3 of Rule 4401, operator shall perform the following: initially inspect a PRD that releases to the atmosphere as soon as practicable but not later than 24 hours after the discovery of the release, re-inspect the PRD not earlier than 24 hours after the initial inspection but not later than 15 calendar days after the initial inspection, inspect all new, replaced, or repaired fittings, flanges, and threaded connections within 72 hours of placing the component in service. Except for PRDs subject to the requirements of Section 5.4.4.1 of Rule 4401, an operator shall inspect a component that has been repaired or replaced not later than 15 calendar days after the component was repaired or replaced. [District Rule 4401, 5.4.4] Federally Enforceable Through Title V Permit
40. An operator shall inspect all unsafe-to-monitor components during each turnaround. [District Rule 4401, 5.4.7] Federally Enforceable Through Title V Permit
41. District inspection in no way fulfills any of the mandatory inspection requirements that are placed upon operators and cannot be used or counted as an inspection required of an operator. [District Rule 4401, 5.4.8] Federally Enforceable Through Title V Permit
42. An operator shall affix a readily visible weatherproof tag to a leaking component upon detection of the leak and shall include the following information on the tag: date and time of leak detection, date and time of leak measurement, for a gaseous leak, the leak concentration in ppmv, for a liquid leak, whether it is a major liquid leak or a minor liquid leak, whether the component is an essential component, an unsafe-to monitor component, or a critical component. [District Rule 4401, 5.5.1] Federally Enforceable Through Title V Permit
43. An operator shall keep the tag affixed to the component until an operator has met all of the following conditions: repaired or replaced the leaking component, re-inspected the component using the test method in Section 6.3.3, and the component is found to be in compliance with the requirements of this rule. [District Rule 4401 5.5.2] Federally Enforceable Through Title V Permit
44. An operator shall minimize a component leak in order to stop or reduce leakage to the atmosphere immediately to the extent possible, but not later than one (1) hour after detection of the leak. [District Rule 4401, 5.5.3] Federally Enforceable Through Title V Permit
45. Except for leaking critical components or leaking essential components subject to the requirements of Section 5.5.7 of Rule 4401, if an operator has minimized a leak but the leak still exceeds the applicable leak limits as defined in Section 3.0 of Rule 4401, an operator shall comply with at least one of the following requirements as soon as practicable but not later than the time period specified in Table 3 of Rule 4401: Repair or replace the leaking component; or vent the leaking component to a VOC collection and control system as defined in Section 3.0 of Rule 4401, or remove the leaking component from operation. [District Rule 4401, 5.5.4] Federally Enforceable Through Title V Permit
46. The repair period in calendar days shall not exceed 14 days for minor gas leaks, 5 days for major gas leaks less than or equal to 50,000 ppmv, 2 days for gas leak greater than 50,000 ppmv, 3 days for minor liquid leaks, 2 days for major liquid leaks. [District Rule 4401, 5.5.4] Federally Enforceable Through Title V Permit
47. The leak rate measured after leak minimization has been performed shall be the leak rate used to determine the applicable repair period specified in Table 3 of Rule 4401. [District Rule 4401, 5.5.5] Federally Enforceable Through Title V Permit
48. The time of the initial leak detection shall be the start of the repair period specified in Table 3 of Rule 4401. [District Rule 4401, 5.5.6] Federally Enforceable Through Title V Permit

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49. If the leaking component is an essential component or a critical component that cannot be immediately shut down for repairs, and if the leak has been minimized but the leak still exceeds the applicable leak standard of this rule, the operator shall repair or replace the essential component or critical component to eliminate the leak during the next process unit turnaround, but in no case later than one year from the date of the original leak detection, whichever comes earlier. [District Rule 4401, 5.5.7] Federally Enforceable Through Title V Permit
50. The operator of any steam-enhanced crude oil production well shall maintain records of the date and well identification where steam injection or well stimulation occurs. [District Rule 4401, 6.1.1] Federally Enforceable Through Title V Permit
51. An operator of any steam-enhanced crude oil production well shall keep source test records which demonstrate compliance with the control efficiency requirements of the VOC collection and control system as defined in Section 3.0 of Rule 4401. [District Rule 4401, 6.1.3] Federally Enforceable Through Title V Permit
52. Operator of any steam-enhanced crude oil production well shall keep an inspection log maintained pursuant to Section 6.4 of Rule 4401. [District Rule 4401, 6.1.4] Federally Enforceable Through Title V Permit
53. Records of each calibration of the portable hydrocarbon detection instrument utilized for inspecting components, including a copy of current calibration gas certification from the vendor of said calibration gas cylinder, the date of calibration, concentration of calibration gas, instrument reading of calibration gas before adjustment, instrument reading of calibration gas after adjustment, calibration gas expiration date, and calibration gas cylinder pressure at the time of calibration shall be maintained. [District Rule 4401, 6.1.5] Federally Enforceable Through Title V Permit
54. An operator shall maintain copies at the facility of the training records of the training program operated pursuant to Section 6.5 of Rule 4401. [District Rule 4401, 6.1.6] Federally Enforceable Through Title V Permit
55. Operator shall keep a copy of the APCO-approved Operator Management Plan at the facility. [District Rule 4401, 6.1.7] Federally Enforceable Through Title V Permit
56. Operator shall keep a list of all gauge tanks, as defined in Section 3.0 of Rule 4401. The list shall contain the size, identification number, the location of each gauge tank and specify whether the gauge tank is upstream of all front line production equipment. [District Rule 4401, 6.1.8] Federally Enforceable Through Title V Permit
57. The results of gauge tank TVP testing conducted pursuant to Section 6.2.3 shall be submitted to the APCO within 60 days after the completion of the testing. [District Rule 4401, 6.1.9] Federally Enforceable Through Title V Permit
58. An operator that discovers that a PRD has released shall record the date that the release was discovered, and the identity and location of the PRD that released. An operator shall submit such information recorded during the calendar year to the APCO no later than 60 days after the end of the calendar year. [District Rule 4401, 6.1.10] Federally Enforceable Through Title V Permit
59. An operator shall source test annually all vapor collection and control systems used to control emissions from steam-enhanced crude oil production well vents to determine the control efficiency of the device(s) used for destruction or removal of VOC. Compliance testing shall be performed annually by source testers certified by ARB. Testing shall be performed during June, July, August, or September of each year if the system's control efficiency is dependent upon ambient air temperature. A process system as defined in Section 3.30 of Rule 4401 is not subject to compliance source testing requirements. [District Rule 4401, 6.2.1] Federally Enforceable Through Title V Permit
60. If approved by EPA, ARB, and the APCO, an operator need not comply with the annual testing requirement of Section 6.2.1 if all uncondensed VOC emissions collected by a vapor collection are controlled by an internal combustion engine subject to Rule 4702, a combustion device subject to Rule 4320, 4307 or 4308, a flare subject to Rule 4311. [District Rule 4401, 6.2.2] Federally Enforceable Through Title V Permit
61. An operator shall comply with the following requirements for each gauge tank, as defined in Section 3.0 of Rule 4401: Conduct periodic TVP testing of each gauge tank at least once every 24 months during summer (July - September), and whenever there is a change in the source or type of produced fluid in the gauge tank. The TVP testing shall be conducted at the actual storage temperature of the produced fluid in the gauge tank using the applicable TVP test method specified in Section 6.4 of Rule 4623 (Storage of Organic Liquids). The operator shall submit the TVP testing results to the APCO as specified in Section 6.1.9 of Rule 4401. [District Rule 4401, 6.2.3] Federally Enforceable Through Title V Permit

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62. The control efficiency of any VOC control device, measured and calculated as carbon, shall be determined by EPA Method 25, except when the outlet concentration must be below 50 ppm in order to meet the standard, in which case EPA Method 25a may be used. EPA Method 18 may be used in lieu of EPA Method 25 or EPA Method 25a provided the identity and approximate concentrations of the analytes/compounds in the sample gas stream are known before analysis with the gas chromatograph and the gas chromatograph is calibrated for each of those known analyte/compound to ensure that the VOC concentrations are neither under- or over-reported. [District Rule 4401, 6.3.1] Federally Enforceable Through Title V Permit
63. VOC content shall be analyzed by using the latest revision of ASTM Method E168, E169, or E260 as applicable. Analysis of halogenated exempt compounds shall be performed by using ARB Method 432. [District Rule 4401, 6.3.2] Federally Enforceable Through Title V Permit
64. Leak inspection, other than audio-visual, and measurements of gaseous leak concentrations shall be conducted according to EPA Method 21 using an appropriate portable hydrocarbon detection instrument calibrated with methane. The instrument shall be calibrated in accordance with the procedures specified in EPA Method 21 or the manufacturer's instruction, as appropriate, not more than 30 days prior to its use. The operator shall record the calibration date of the instrument. Where safety is a concern, such as measuring leaks from compressor seals or pump seals when the shaft is rotating, a person shall measure leaks by placing the instrument probe inlet at a distance of one (1) centimeter or less from the surface of the component interface. [District Rule 4401, 6.3.3] Federally Enforceable Through Title V Permit
65. The VOC content by weight percent (wt.%) shall be determined using American Society of Testing and Materials (ASTM) D1945 for gases and South Coast Air Quality Management District (SCAQMD) Method 304-91 or the latest revision of ASTM Method E168, E169 or E260 for liquids. [District Rule 4401, 6.3.4] Federally Enforceable Through Title V Permit
66. Operator shall maintain an inspection log in which an operator records, at a minimum, all of the following information for each inspection performed: The total number of components inspected, total number and percentage of leaking components found by component type, location, type, and name or description of each leaking component and description of any unit where the leaking component is found, date of leak detection and the method of leak detection. For gaseous leaks, the leak concentration in ppmv, and for liquid leaks record whether the leak is a major liquid leak or a minor liquid leak. the date of repair, replacement, or removal from operation of leaking components, identify and location of essential components and critical components found leaking that cannot be repaired until the next process unit turnaround or not later than one year after leak detection, whichever comes earlier, methods used to minimize the leak from essential components and critical components found leaking that cannot be repaired until the next process unit turnaround or not later than one year after leak detection, whichever comes earlier, the date of re-inspection and the leak concentration in ppmv after the component is repaired or is replaced, the inspector's name, business mailing address, and business telephone number, date and signature of the facility operator responsible for the inspection and repair program certifying the accuracy of the information recorded in the log. [District Rule 4401, 6.4] Federally Enforceable Through Title V Permit
67. All records shall be maintained and made readily available for District inspection upon request for a period of five years. [District Rules 1070 and 2201] Federally Enforceable Through Title V Permit
68. Note: Formerly S-1511-213

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