

APR 05 2018

Shams Hasan
E&B Natural Resources
3000 James Road
Bakersfield, CA 93308

RE: Notice of Final Action - Authority to Construct
Facility Number: S-4034
Project Number: S-1174061

Dear Mr. Hasan:

The Air Pollution Control Officer has issued the Authority to Construct permits to E&B Natural Resources for a flare, in western Kern County. Enclosed are the Authority to Construct permits 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 permits was published on 2/13/18. The District's analysis of the proposal was also sent to CARB on 2/8/18. No comments were received following the District's preliminary decision on this project.

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

Sincerely,



Arnaud Marjollet
Director of Permit Services

AM:DBT

Enclosures

cc: Tung Le, CARB (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
Fresno, CA 93726-0244
Tel: (559) 230-6000 FAX: (559) 230-6061

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



AUTHORITY TO CONSTRUCT

PERMIT NO: S-4034-23-1

ISSUANCE DATE: 03/26/2018

LEGAL OWNER OR OPERATOR: E&B NATURAL RESOURCES

MAILING ADDRESS: HSE MANAGER
1600 NORRIS RD
BAKERSFIELD, CA 93308

LOCATION: LIGHT OIL WESTERN

SECTION: SW06 TOWNSHIP: 28S RANGE: 20E

EQUIPMENT DESCRIPTION:

MODIFICATION OF 250 BBL CRUDE OIL STORAGE TANK WITH A PV VALVE (VOIGT LEASE): LOWER TVP LIMIT

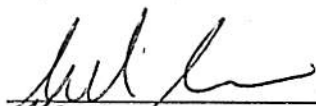
CONDITIONS

1. No air contaminant shall be released into the atmosphere which causes a public nuisance. [District Rule 4102]
2. This tank shall be equipped with a pressure-vacuum (PV) relief valve set to within 10% of the maximum allowable working pressure of the tank, permanently labeled with the operating pressure settings, properly maintained in good operating order in accordance with the manufacturer's instructions, and shall remain in leak-free condition except when the operating pressure exceeds the valve's set pressure. [District Rule 4623]
3. A leak-free condition is a condition without a gas leak or a liquid leak. A gas leak is defined as a reading in excess of 10,000 ppmv, above background, as measured by a portable hydrocarbon detection instrument that is calibrated with 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 of more than 3 drops per minute. [District Rule 4623] Federally Enforceable Through Title V Permit
4. This tank shall only store, place, or hold organic liquid with a true vapor pressure (TVP) of less than 6.5 psia under all storage conditions. [District Rule 2201]
5. Crude oil throughput shall not exceed 50 barrels per day based on a monthly average. [District Rule 2201]
6. Permittee shall conduct true vapor pressure (TVP) testing of the organic liquid stored in this tank at least once every 24 months during summer (July - September), and/or whenever there is a change in the source or type of organic liquid stored in this tank in order to maintain exemption from the rule. [District Rules 2201]

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



Seyed Sadredin, Director of Permit Services

S-4034-23-1 Mar 26 2018 12:32PM - TORID - Joint Inspection NOT Required

7. The API gravity of crude oil or petroleum distillate shall be determined by using ASTM Method D 287 e1 "Standard Test Method for API Gravity of Crude Petroleum and Petroleum Products (Hydrometer Method). Sampling for API gravity shall be performed in accordance with ASTM Method D 4057 "Standard Practices for Manual Sampling of Petroleum and Petroleum Products." [District Rule 2201]
8. For crude oil with an API gravity of 26 degrees or less, the TVP shall be determined using the latest version of the Lawrence Berkeley National Laboratory "test Method for Vapor pressure of Reactive Organic Compounds in Heavy Crude Oil Using Gas Chromatograph", as approved by ARB and EPA. [District Rule 2201]
9. The TVP testing shall be conducted at actual storage temperature of the organic liquid in the tank. The permittee shall also conduct an API gravity testing. [District Rule 2201]
10. Permittee shall submit the records of TVP and API gravity testing to the APCO within 45 days after the date of testing. The records shall include the tank identification number, Permit to Operate number, type of stored organic liquid, TVP and API gravity of the organic liquid, test methods used, and a copy of the test results. [District Rule 2201]
11. The permittee shall keep accurate records of throughput, each organic liquid stored in the tank, including its storage temperature, TVP, and API gravity. [District Rules 2201 and 4623]
12. All records required to be maintained by this permit shall be maintained for a period of at least five years and shall be made readily available for District inspection upon request. [District Rules 2201 and 4623]



AUTHORITY TO CONSTRUCT

PERMIT NO: S-4034-24-1

ISSUANCE DATE: 03/26/2018

LEGAL OWNER OR OPERATOR: E&B NATURAL RESOURCES
MAILING ADDRESS: HSE MANAGER
1600 NORRIS RD
BAKERSFIELD, CA 93308

LOCATION: LIGHT OIL WESTERN

SECTION: SW06 TOWNSHIP: 28S RANGE: 20E

EQUIPMENT DESCRIPTION:

MODIFICATION OF 200 BBL CRUDE OIL WASH TANK (13.4 FT. DIA. X 8 FT. HIGH) WITH A PV VALVE (VOIGT LEASE): LOWER TVP LIMIT


CONDITIONS

1. Formerly S-3276-3.
2. No air contaminant shall be released into the atmosphere which causes a public nuisance. [District Rule 4102]
3. This tank shall be equipped with a pressure-vacuum (PV) relief valve set to within 10% of the maximum allowable working pressure of the tank, permanently labeled with the operating pressure settings, properly maintained in good operating order in accordance with the manufacturer's instructions, and shall remain in gas-tight condition except when the operating pressure exceeds the valve's set pressure. [District Rule 4623]
4. This tank shall only store, place, or hold organic liquid with a true vapor pressure (TVP) of less than 6.5 psia under all storage conditions. [District Rule 2201]
5. Crude oil throughput shall not exceed 50 barrels per day based on a monthly average. [District Rules 2201 and 4623]
6. Permittee shall conduct true vapor pressure (TVP) testing of the organic liquid stored in this tank at least once every 24 months during summer (July - September), and/or whenever there is a change in the source or type of organic liquid stored in this tank in order to maintain exemption from the rule. [District Rules 2201]

CONDITIONS CONTINUE ON NEXT PAGE

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Seyed Sadredin, Executive Director / APCO



Arnaud Marjollét, Director of Permit Services

S-4034-24-1 Mar 26 2018 12:52PM - TORID : Joint Inspection NOT Required

7. The API gravity of crude oil or petroleum distillate shall be determined by using ASTM Method D 287 e1 "Standard Test Method for API Gravity of Crude Petroleum and Petroleum Products (Hydrometer Method). Sampling for API gravity shall be performed in accordance with ASTM Method D 4057 "Standard Practices for Manual Sampling of Petroleum and Petroleum Products." [District Rule 2201]
8. For crude oil with an API gravity of 26 degrees or less, the TVP shall be determined using the latest version of the Lawrence Berkeley National Laboratory "test Method for Vapor pressure of Reactive Organic Compounds in Heavy Crude Oil Using Gas Chromatograph", as approved by ARB and EPA. [District Rule 2201]
9. The TVP testing shall be conducted at actual storage temperature of the organic liquid in the tank. The permittee shall also conduct an API gravity testing. [District Rule 2201]
10. Permittee shall submit the records of TVP and API gravity testing to the APCO within 45 days after the date of testing. The records shall include the tank identification number, Permit to Operate number, type of stored organic liquid, TVP and API gravity of the organic liquid, test methods used, and a copy of the test results. [District Rule 2201]
11. The permittee shall keep accurate records of throughput, each organic liquid stored in the tank, including its storage temperature, TVP, and API gravity. [District Rules 2201 and 4623]
12. All records required to be maintained by this permit shall be maintained for a period of at least five years and shall be made readily available for District inspection upon request. [District Rules 2201 and 4623]



AUTHORITY TO CONSTRUCT

PERMIT NO: S-4034-29-3

ISSUANCE DATE: 03/26/2018

LEGAL OWNER OR OPERATOR: E&B NATURAL RESOURCES
MAILING ADDRESS: HSE MANAGER
1600 NORRIS RD
BAKERSFIELD, CA 93308

LOCATION: LIGHT OIL WESTERN

SECTION: SW/34 TOWNSHIP: 12N RANGE: 21W

EQUIPMENT DESCRIPTION:

MODIFICATION OF 500 BBL FIXED ROOF CRUDE OIL STOCK TANK WITH VAPOR CONTROL SYSTEM INCLUDING ONE 0.5 MMBTU/HR NATURAL GAS-FIRED HEATER (RIO VIEJO): CONNECT VAPOR CONTROL SYSTEM TO FLARE S-4034-41

CONDITIONS

1. No air contaminant shall be discharged into the atmosphere for a period or periods aggregating more than three minutes in any one hour which is as dark as, or darker than, Ringelmann 1 or 20% opacity. [District Rule 4101]
2. No air contaminant shall be released into the atmosphere which causes a public nuisance. [District Rule 4102]
3. Particulate matter emissions shall not exceed 0.1 grains/dscf in concentration. [District Rule 4201]
4. The tank shall be equipped with a vapor recovery system consisting of a closed vent system that collects all VOCs from the storage tank, and a VOC control device. The vapor recovery system shall be APCO-approved and maintained in gas-tight condition. The VOC control device shall be either of the following: a vapor return or condensation system that connects to a gas pipeline distribution system, or an approved VOC destruction device the reduces the inlet VOC emissions by at least 95% by weight as determined by the test method specified in Section 6.4.7. [District Rules 2201 and 4623]

CONDITIONS CONTINUE ON NEXT PAGE

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Seyed Sadredin, Executive Director / APCO

Arnaud Marjollet, Director of Permit Services

S-4034-29-3 - Mar 26 2018 12:52PM - TORID : Joint Inspection NOT Required

5. 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 10,000 ppmv, above background, as measured by a portable hydrocarbon detection instrument in accordance with the procedures specified in EPA Test Method 21. A liquid leak is defined as the dripping of organic liquid at a rate of more than 3 drops per minute. A reading in excess of 10,000 ppmv above background or the dripping of organic liquid at a rate of more than 3 drops per minute is a violation of this permit and Rule 2201 and shall be reported as a deviation. [District Rules 2201 and 4623]
6. Any tank gauging or sampling device on a tank vented to the vapor recovery system shall be equipped with a gas-tight cover which shall be closed at all times except during gauging or sampling. [District Rules 2201 and 4623]
7. VOC fugitive emissions from the components in gas and light crude oil service shall not exceed 0.8 lb/day. [District Rules 2201 and 4623]
8. Operator shall visually inspect tank shell, hatches, seals, seams, cable seals, valves, flanges, connectors, and any other piping components directly affixed to the tank and within five feet of the tank at least once per year for liquid leaks, and with a portable hydrocarbon detection instrument conducted in accordance with EPA Method 21 for gas leaks. Operator shall also visually or ultrasonically inspect as appropriate, the external shells and roofs of uninsulated tanks for structural integrity annually. [District Rules 2201 and 4623]
9. Components found to be leaking either liquids or gases shall be immediately affixed with a tag showing the component to be leaking. Operator shall maintain records of the liquid or gas leak detection readings, date/time the leak was discovered, and date/time the component was repaired to a leak-free condition. [District Rules 2201 and 4623]
10. Upon detection of a liquid leak, defined as a leak rate of greater than or equal to 30 drops per minute, operator shall repair the leak within 8 hours. For leaks with a liquid leak rate of between 3 and 30 drops per minute, the leaking component shall be repaired within 24 hours after detection. [District Rules 2201 and 4623]
11. Upon detection of gas leak (VOC concentration >10,000 ppmv, measured in accordance with EPA Method 21), operator shall take on of the following actions: 1) eliminate the leak within 8 hours after detection; or 2) if the leak cannot be eliminated, then minimize the leak to the lowest possible level within 8 hours after detection by using best maintenance practices, and eliminate the leak within 48 hours after minimization. In no event shall the total time to minimize and eliminate a leak exceed 56 hours after detection. [District Rules 2201 and 4623]
12. If a component type for a given tank is found to leak during an annual inspection, then conduct quarterly inspections of that component type on the tank or tank system for four consecutive quarters. If a component type is found to have no leak after four consecutive quarterly inspections, then revert to annual inspections. [District Rules 2201 and 4623]
13. Leaking components that have been discovered by the operator that have been immediately tagged and repaired within the specified timeframes, shall not constitute a violation of District Rule 4623 (amended May 19, 2005). However, leaking components discovered during inspections by District staff that were not previously identified and/or tagged by the operator, and/or any leaks that were not repaired within specified timeframes, shall constitute a violation of the District Rule 4623 (amended May 19, 2005). [District Rules 2201 and 4623]
14. Any component found to be leaking by operator on two consecutive annual inspections is in violation of the District Rule 4623 (amended May 19, 2005), even if it is under the voluntary inspection and maintenance program. [District Rules 2201 and 4623]
15. The operator shall ensure that the vapor recovery system is functional and is operating as designed at all times and shall monitor vapor recovery compressor activation and shut off manometer pressures on quarterly basis to ensure that compressor activation pressure does not exceed tank and vapor recovery pressure relief valve setting. [District Rule Rules 2201 and 4623]
16. Operator shall maintain an inspection log containing the following 1) type of component leaking; 2) date and time of leak detection, and method of detection; 3) date and time of leak repair, and emission level of recheck after leak is repaired; 4) method used to minimize and repair leaks. [District Rule 1070]
17. This permit authorizes tank cleaning that is not the result of breakdowns or poor maintenance as a routine maintenance activity. [District Rule 2020]
18. Permittee shall comply with all applicable tank degassing and interior cleaning requirements specified in Section 5.7.5 of Rule 4623. [District Rule 4623]

19. Emissions from the natural gas-fired unit shall not exceed any of the following limits: 82 ppmvd NOX @ 3% O2 or 0.1 lb-NOX/MMBtu, 0.0076 lb-PM10/MMBtu, 114 ppmvd CO @ 3% O2 or 0.084 lb-CO/MMBtu, or 0.0055 lb-VOC/MMBtu. [District Rule 2201]
20. The sulfur content of the gas combusted in heater shall not exceed 5 gr S/100 scf. [District Rule 2201]
21. If the heater is not fired on PUC-regulated natural gas and compliance is achieved through fuel sulfur content limitations, then the sulfur content of the fuel shall be determined by testing sulfur content at a location after all fuel sources are combined prior to incineration, or by performing mass balance calculations based on monitoring the sulfur content and volume of each fuel source. The sulfur content of the fuel shall be determined using EPA Method 11 or Method 15. [District Rule 2201]
22. When complying with sulfur emission limits by fuel analysis or by a combination of source testing and fuel analysis, permittee shall demonstrate compliance at least annually. [District Rule 2201]
23. If the heater is fired on PUC-regulated natural gas, valid purchase contracts, supplier certifications, tariff sheets, or transportation contracts may be used to satisfy the fuel sulfur content analysis, provided they establish the fuel sulfur concentration and higher heating value. [District Rule 2201]
24. All records required to be maintained by this permit shall be maintained for a period of at least five years and shall be made readily available for District inspection upon request. [District Rules 2201 and 4623]



AUTHORITY TO CONSTRUCT

PERMIT NO: S-4034-41-0

ISSUANCE DATE: 03/26/2018

LEGAL OWNER OR OPERATOR: E&B NATURAL RESOURCES

MAILING ADDRESS: HSE MANAGER
1600 NORRIS RD
BAKERSFIELD, CA 93308

LOCATION: LIGHT OIL WESTERN

EQUIPMENT DESCRIPTION:

COANDA-EFFECT PRODUCED GAS FLARE SERVING VAPOR CONTROL SYSTEM LISTED ON S-4034-29 (RIO VIEJO)

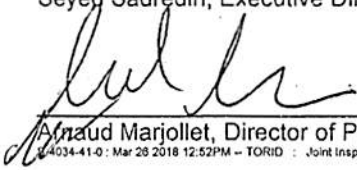
CONDITIONS

1. No air contaminant shall be released into the atmosphere which causes a public nuisance. [District Rule 4102]
2. No air contaminant shall be discharged into the atmosphere for a period or periods aggregating more than three minutes in any one hour which is as dark as, or darker than, Ringelmann 1 or 20% opacity. [District Rule 4101]
3. The flare shall only be used when the other disposal means are at their incinerating capacity or their operating function is not needed. For example, if tank heater S-4034-29 normal function is not needed, it needn't be operated solely to incinerate waste gas. [District Rule 2201]
4. Flare shall not be operated continuously for more than 30 consecutive days. Flaring is not continuous when flaring has ceased for three (3) or more consecutive hours. [District Rule 2201]
5. Particulate matter emissions shall not exceed 0.1 grains/dscf in concentration. [District Rule 4201]
6. The flare shall be equipped with an operational gas flow meter. [District Rule 2201]
7. A flame shall be present at all times when combustible gases are vented through the flare. [District Rules 2201 and 4311]
8. 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 Rules 2201 and 4311]

CONDITIONS CONTINUE ON NEXT PAGE

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Seyed Sadredin, Executive Director / APCO



Arnaud Marjollet, Director of Permit Services

S-4034-41-0 - Mar 28 2018 12:52PM - TORID : Joint Inspection NOT Required

9. Flare shall be equipped with 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. The flame detection device shall be kept operational at all times except during flare maintenance when the flare is isolated from gas flow. During essential planned power outages when the flare is operating, the pilot monitor is allowed to be non-functional if the flare flame is clearly visible to onsite operators. Effective on and after July 1, 2012, all pilot monitor downtime shall be reported annually pursuant to Rule 4311, section 6.2.3.6. [District Rule 4311]
10. Open flares in which the flare gas pressure is less than 5 psig shall be operated in such a manner that meets the provisions of 40 CFR 60.18. [District Rule 4311]
11. Total gas flow rate to flare shall not exceed 35,000 acf/day. [District Rule 2201]
12. Emissions from the flare shall not exceed any of the following: NO_x 0.068 lb/MMBtu, CO 0.310 lb/MMBtu, PM₁₀ 0.026 lb/MMBtu and VOC 0.29 lb/MMBtu. [District Rule 2201]
13. The sulfur content of the gas being flared shall not exceed exceed 5.0 gr S/100scf. [District Rules 2201 and 4801]
14. Compliance with sulfur compound emission limit shall be demonstrated by testing for fuel sulfur content once every 24 months. [District Rule 2201]
15. The sulfur content of the gas being flared shall be determined using ASTM D1072, D3031, D4084, D3246 or grab sample analysis by GC-FPD/TCD performed in the laboratory. [District Rule 2201]
16. Permittee shall maintain daily records of volume of gas flared and annual records of the fuel sulfur content. [District Rule 2210]
17. All records, including required monitoring data and support information, shall be maintained and retained for a period of 5 years and made available for inspection at any time. [District Rule 1070]