

April 7, 2026

Kevin Presto
KMP Operating, Inc.
22720 Morton Ranch Rd. Ste. 160 Unit 398
Katy, TX 77449

Re: Notice of Preliminary Decision – Emission Reduction Credits
Facility Number: C-8530
Project Number: C-1253361

Dear Mr. Presto:

Enclosed for your review and comment is the District's analysis of KMP Operating, Inc.'s application for Emission Reduction Credits (ERCs) resulting from the shutdown of two (2) crude oil tanks, located on the Don-Cerini oil production lease, within KMP's Fresno County Light Oil Central Stationary Source (C-5870). The quantity of ERCs proposed for banking is 949 lb-VOC/yr .

The notice of preliminary decision for this project has been posted on the District's website (<https://valleyair.org/>). After addressing all comments made during the 30-day public notice comment period, the District intends to issue the ERCs. Please submit your written comments on this project within the 30-day public comment period, as specified in the enclosed public notice.

Thank you for your cooperation in this matter. If you have any questions regarding this matter, please contact Mr. William Jones of Permit Services at (661) 392- 5610.

Sincerely,



Brian Clements
Director of Permit Services

BC:WEJ

Enclosures

cc: Courtney Graham, CARB (w/ enclosure) via email
cc: EPA Region 9 Air Permitting Manager (w/ enclosure) via EPS

Samir Sheikh
Executive Director/Air Pollution Control Officer

Northern Region
4800 Enterprise Way
Modesto, CA 95356-8718
Tel: (209) 557-6400 FAX: (209) 557-6475

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

**Emission Reduction Credit Banking
Application Review
Shutdown of Crude Oil Tanks**

Facility Name: KMP Operating, Inc.	Date: 3/25/26
Mailing Address: 22720 Morton Ranch Rd. Ste. 160 Unit 398, Katy, TX 77449	Engineer: Will Jones Lead Engineer: Erin Scott
Contact Person: Kevin Presto & Ethan Sarti	
Telephone: 661.345.8263	
Email: esarti@envirotechteam.com	
Facilities: C-8530	
Project #s: C-1253361	
Deemed Complete: 9/3/25	

I. Summary

KMP Operating, Inc. (KMP) has submitted an ERC banking application for the reduction of VOC emissions associated with the shutdown of two (2) crude oil tanks, located on the Don-Cerini oil production lease within the Fresno Light Oil Central Stationary Source (C-5870). The shutdown of the two (2) crude oil tanks, was done as part of the complete shutdown of facility C-5870, in addition to the permanent discontinuation of all crude oil production by KMP within the Spoldsoff, Jensen, Don-Cerini, and 2X-9 leases.

The crude oil stock tank (stock tank) listed on permit C-5870-15, and the crude oil wash tank (wash tank) listed on permit C-5870-18, receive the consolidated crude oil production from KMP's production wells within the Spoldsoff, Jensen, and Don-Cerini leases. The crude oil processed by the two (2) crude oil tanks, will not be re-routed, due to the complete shutdown of the KMP facility C-5870. A summary of the operation of the tanks is shown below.

Facility ID	PTO	Equipment	Reduction Date	ERC Application Filing Date	Comments
C-5870	15	Stock Tank	3/1/25	8/21/25	Lease was shutdown
	18	Wash Tank	3/1/25	8/21/25	Lease was shutdown

Based on the historical operating data prior to the shutdown, the amounts of bankable ERCs (as calculated in Section V of this document) are shown in the table below. The calculations in Section V are according to the provisions of District Rules 2201 - *New and Modified Stationary Source Review Rule (Amended 4/20/23)*, and 2301 - *Emission Reduction Credit Banking (Amended 4/20/23)*.

VOC Bankable Emissions (lb. /qtr.)				
Action	1 st Qtr.	2 nd Qtr.	3 rd Qtr.	4 th Qtr.
Surrender of C-5870-15 (Don-Cerini Lease)	118.1	262.1	232.4	150.6
Surrender of C-5870-18 (Don-Cerini Lease)	28.8	64.0	56.7	36.8
Total (lb. /qtr.)	146.9 = 147	326.1 = 326	289.1 = 289	187.4 = 187

II. Applicable Rules

- Rule 2201 New and Modified Stationary Source Review Rule (4/20/23)
- Rule 2301 Emission Reduction Credit Banking (4/20/23)
- Rule 4623 Storage of Organic Liquids (06/15/23)

III. Location of Reductions

The tanks associated with this project, are located at the Don-Cerini Lease (Section 22, T22S, R19E) in Riverdale, Fresno County, California.

A tank battery diagram for each lease can be found in Appendix A (*Tank and Oil Flow Diagrams*).

IV. Method of Generating Reductions

The Actual Emission Reductions (AER) were generated by shutting down the (2) crude oil tanks. The equipment description for the unit is as follows:

C-5870-15-2: 250 BBL FIXED ROOF STOCK TANK EQUIPPED WITH P/V RELIEF VALVE (DON-CERINI LEASE)

C-5870-18-1: 200 BBL CRUDE OIL FIXED ROOF WASH TANK WITH PV VENT (DON-CERINI LEASE)

As previously stated, three leases (Don-Cerini, Jensen, and Spolsdoff, Leases) have been shut down, the production from those leases discontinued, and the two (2) consolidation tanks (C-5870-15 and '-18) located on the Don-Cerini lease have been shut down, and removed from service. Based on Section 3.14 of Rule 2301 - *Emission Reduction Credit Banking (Amended 4/20/23)*, PTO C-5870-15 and '-18 were shut down on March 1, 2025 which was the date the PTO was surrendered to the District.

V. Calculations

A. Assumptions

Fluid/Crude oil properties:

- VOC is the only pollutant in this project.
- Applicant submitted crude oil sales data as throughput for each of the tanks (See Appendix B, *Historical Production Data*).
- True Vapor Pressure (TVP) and Reid Vapor Pressure (RVP) of crude oil produced for each of the leases can be found in the Gas Analysis report in Appendix C (*Gas Analysis Report*).
- The API gravity for consolidated crude oil production from the Spoldsoff, Jensen, and Don-Cerini leases is greater than 26; therefore, they are tanks containing light oil.
- Vapor Molecular Weight Of Light Crude Oil (Mv) = 50 lb./lb.-mole.

Tank operational properties:

- All Wash tanks operate at a constant level, therefore the average liquid height in the wash tanks equals the max liquid height in the wash tank.

C-5870-15 (250 BBL Stock Tank) Dimensions:

- Height (ft.): 20
- Diameter (ft.): 9.5
- Average Liquid Height (ft.): 9
- Maximum Liquid Height (ft.): 18

C-5870-18 (200 BBL Wash Tank) Dimensions:

- Height (ft.): 16
- Diameter (ft.): 9.5
- Average Liquid Height (ft.): 14
- Maximum Liquid Height (ft.): 14

Tank physical properties:

- The physical minimum liquid height for all tanks, is the height of the inlet orifice of the tank. That height is assumed to be 2 ft. for all tanks.
- All tanks are assumed to have the following physical conditions:
 - Tank Roof Paint Condition: Good
 - Tank Roof Paint Color: Grey
 - Tank Roof Paint Shade: Medium
 - Tank Shell Paint Condition: Good
 - Tank Shell Paint Color: Grey
 - Tank Shell Paint Shade: Medium

B. Emission Factors (EF)

Emissions factors (EF) will be from the District's Microsoft Excel spreadsheet titled Tank Emissions - Fixed Roof Crude Oil 26° API or higher. See Calculations in Appendix E (*Post Project Emissions (PE2) Calculations*).

C. Baseline Period Determination and Data

Baseline Period Determination

Per District Rule 2201 - *New and Modified Stationary Source Review Rule (Amended 4/20/23)*, Section 3.9, the baseline period is a period of time equal to:

- The 24 consecutive months of operation immediately prior to the submission date of the complete application; or
- At least 24 consecutive months within the five years immediately prior to the submission date of the complete application if determined by the APCO as more representative of normal source operation; or
- Except for federal emission offset requirements pursuant to Section 4.8, a shorter period of at least 12 months if the emissions unit has not been in operation for 24 months and this represents the full operational history of the emissions unit, including any replacement units; or
- Zero years if an emissions unit has been in operation for less than one year (only for use when calculating AER).

The applications to bank the ERCs associated with this project, were submitted August 21st 2025. The reductions took place March 1, 2025.

Therefore, the baseline period will be the 24 consecutive months of operation immediately prior to the submission date of the complete application. The 24-month period between 2023 and 2025 will serve as the baseline period for this project.

D. Historical Actual Emission (HAE) Calculations

The Historical Actual Emissions (HAE) are calculated using the District’s Microsoft Excel spreadsheets for Tank Emissions - Fixed Roof Crude Oil of 26° API or greater as discussed above.

For each tank, historical annual emissions (lb./year) were calculated using the average annual throughput (bbl. /year) during the baseline period.

Based on the historical operating data, the amount of bankable ERCs (as calculated in Section V of this document) are shown in the table below. Calculations in Section V are according to the provisions of District Rules 2201 - *New and Modified Stationary Source Review Rule (Amended 4/20/23)*, and 2301 - *Emission Reduction Credit Banking (Amended 4/20/23)*. The Pre-project TVP, RVP and daily crude oil throughput are shown in the table below:

Pre-project TVP, RVP, and Throughput			
Permit #	TVP (psia)*	RVP (psia)	Throughput (bbl./day)
C-5870-15 (250 BBL Stock Tank)	3.25	3.25	13.7
C-5870-18 (200 BBL Wash Tank)	3.25	3.25	13.7

* The TVP a temperature of 100° F.

Quarterly and Annual Historical Actual Emissions per Tank:

Quarterly Historical Actual Emissions and based on the total emissions multiplied by the Percentage of quarterly crude oil throughput compared to the annual throughput.

<u>Quarterly and Annual Historical Actual Emissions</u>					
<u>Permit #</u>	<u>1st</u>	<u>2nd</u>	<u>3rd</u>	<u>4th</u>	<u>Annual</u>
C-5870-15	145.1	264.5	290.8	152.4	852.8 = 853
C-5870-18	30.2	68.4	76.8	31.8	207.2 = 207

The annual emissions were then distributed proportionally to their averaged throughput for each quarter of the year. See detailed calculations in Appendix D (*Historical Actual Emissions (HAE) Calculations*).

C-5870-15 (250 BBL Stock Tank):

According to the historical throughput data provided by the facility, tank C-5870-15 had an average throughput per quarter during the baseline period Q2 of 2023 through Q1 of 2025 as included in the table below. The representative HAE is based on the quarterly percentage of the annual throughput and the HAE.

Quarterly Historic Throughput Profile			
Period	Quarterly Average Throughput (bbl. /qtr.)	Percentage of Annual Throughput (%)	Representative HAE (lb. /qtr.)
Q1	775.0	15.5	132.0
Q2	1,720.0	34.3	292.9
Q3	1,525.0	30.4	259.7
Q4	988.5	19.7	168.4
TOTAL	5,008.5	100.0	853.0

C-5870-18 (200 BBL Wash Tank):

According to the historical throughput data provided by the facility, tank C-5870-18 had an average throughput per quarter during the baseline period Q1 of 2021 through Q1 of 2023 as included in the table below. The representative HAE is based on the quarterly percentage of the annual throughput and the HAE.

Quarterly Historic Throughput Profile			
Period	Quarterly Average Throughput (bbl. /qtr.)	Percentage of Annual Throughput (%)	Representative HAE (lb. /qtr.)
Q1	775.0	15.5	32.0
Q2	1,720.0	34.3	71.1
Q3	1,525.0	30.4	63.0
Q4	988.5	19.7	40.9
TOTAL	5,008.5	100.0	207.0

E. Adjustment to Historical Actual Emissions (HAE)

Pursuant to Section 3.26 of Rule 2201 - *New and Modified Stationary Source Review Rule (Amended 4/20/23)*, Historical Actual Emissions must be discounted for any emissions reduction which is:

- 3.23.1 Any emissions reductions required or encumbered by any laws, rules, regulations, agreements, orders, or permits; and
- 3.23.2 Any emissions reductions attributed to a control measure noticed for workshop, or proposed or contained in a State Implementation Plan, and
- 3.23.3 Any emissions reductions proposed in the District air quality plan for attaining the annual reductions required by the California Clean Air Act, and
- 3.23.4 Any Actual Emissions in excess of those required or encumbered by any laws, rules, regulations, orders, or permits. For units covered by a Specific Limiting Condition (SLC), the total overall HAE for all units covered by SLC must be discounted for any emissions in excess of that allowed by the SLC.

At the time of this ERC banking action, the associated emission units are in compliance with all relevant District Rules and Regulations, and do not fall into the categories described in sections 3.23.1 through 3.23.4. Therefore, the HAE associated with this project will not be adjusted for compliance with this section.

F. Post-Project Potential to Emit (PE2)

As stated, the Spoldsoff, Jensen, and Don Cerini leases were shut down, and all crude oil production from those Leases discontinued. Therefore, PE2 = 0.

G. Actual Emissions Reductions (AER)

Per Rule 2201, Section 4.12, the Actual Emissions Reductions (AER) shall be calculated, on a pollutant-by-pollutant basis, as follows:

$$AER = HAE - PE2$$

Where:

HAE = Historic Actual Emissions
PE2 = Post-project Potential to Emit

HAE and PE2 are shown above.

Actual emissions for Shut down Lease:

The AER associated with the shutdown of crude oil production from Wash tank C-5870-15 is calculated, and summarized below:

AER (lb./qtr.) - Stock Tank C-5870-15				
	1st Qtr.	2nd Qtr.	3rd Qtr.	4th Qtr.
HAE Stock Tank C-5870-15	132.0	292.9	259.7	168.4
PE2 Stock Tank C-5870-15	0	0	0	0
AER ((ΣHAE) – PE2)	132.0	292.9	259.7	168.4

The AER associated with the shutdown of crude oil production from Wash tank C-5870-18 is calculated, and summarized below:

AER (lb./qtr.) - Wash Tank C-5870-18				
	1st Qtr.	2nd Qtr.	3rd Qtr.	4th Qtr.
HAE Wash Tank C-5870-18	32.0	71.1	63.0	40.9
PE2 Wash Tank C-5870-18	0	0	0	0
AER ((ΣHAE) – PE2)	32.0	71.1	63.0	40.9

H. Air Quality Improvement Deduction

The air quality improvement deduction (AQID), per Rule 2201, Section 3.6, is 10% of the Actual Emission Reductions (AER), before the AER is eligible for banking. The criteria pollutant AER are adjusted for the AQID in the following table:

$$AQID = AER \times 10\%$$

The AQID associated with the shutdown of crude oil production from the Stock tank C-5870-15 is calculated, and summarized below:

AQID - Wash Tank C-5870-15		
Period	AER (lb. /qtr.)	AQID (10%)
Q1	132.0	13.2
Q2	292.9	29.3
Q3	259.7	26.0
Q4	168.4	16.8

The AQID associated with the shutdown of Wash tank C-5870-18 is calculated in the table below:

AQID - Wash Tank C-5870-18		
Period	AER (lb. /qtr.)	AQID (10%)
Q1	32.0	3.2
Q2	71.1	7.1
Q3	63.0	6.3
Q4	40.9	4.1

I. Emission Reductions Eligible for Banking

The emission reductions eligible for banking are the difference between the adjusted historical actual emissions (AER) and the potential to emit after the project (PE2) minus the air quality improvement deduction (AQID).

Emission Reductions Eligible for Banking = AER - AQID

The Emission Reductions Eligible for Banking associated with the shutdown of crude oil production from the wells within the Spoldsoff, Jensen, and Don-Cerini leases routed through the tank listed on permit C-5870-15 are calculated, and summarized below:

Eligible AER - Wash Tank C-5870-15			
Period	AER (lb. /qtr.)	AQID (10%)	Eligible AER (lb. /qtr.)
Q1	132.0	13.2	118.8
Q2	292.9	29.3	263.6
Q3	259.7	26.0	233.7
Q4	168.4	16.8	151.6

The Emission Reductions Eligible for Banking associated with the shutdown of Wash tank C-5870-18 is calculated in the table below:

Eligible AER - Wash tank C-5870-18			
Period	AER (lb. /qtr.)	AQID (10%)	Eligible AER (lb. /qtr.)
Q1	32.0	3.2	28.8
Q2	71.1	7.1	64.0
Q3	63.0	6.3	56.7
Q4	40.9	4.1	36.8

In summary, the bankable ERCs for VOCs are presented in lb. /qtr. in the following table.

VOC Bankable Emissions (lb. /qtr.)				
Action	1st Qtr.	2nd Qtr.	3rd Qtr.	4th Qtr.
Surrender of C-5870-15 (Don-Cerini Lease)	118.8	263.6	233.7	151.6
Surrender of C-5870-18 (Don-Cerini Lease)	28.8	64.0	56.7	36.8
Total (lb. /qtr.)	147.6 =148	327.6 =328	290.4 =290	188.4 =188

The bankable ERCs for VOCs will be issued in lb. /qtr. in the following table:

VOC Bankable Emissions (lb. /qtr.)				
ERC	1st Qtr.	2nd Qtr.	3rd Qtr.	4th Qtr.
C-1683-25-5	148	328	290	188

VI. Compliance

To comply with the definition of Actual Emissions Reductions (AER) (Rule 2201 - *New and Modified Stationary Source Review Rule (Amended 4/20/23)* Section 3.2; Rule 2301 - *Emission Reduction Credit Banking (Amended 4/20/23)*, Section 3.8), the emissions reduction must be:

A. Real

This facility previously produced oil and gas via production wells and it has been completely shut down. All operating permits and Authority to Construct permits have been cancelled. Since there will no longer be any oil and gas activity onsite, the emissions reduction are real.

Furthermore, all historical emissions were calculated based on actual throughput and TVP records provided by the applicant. Therefore, the emission reductions from this banking action are real.

B. Surplus

To be considered surplus, AER shall be in excess, at the time the application for an ERC is deemed complete, of any emissions reduction which:

- Is required or encumbered by any laws, rules, regulations, agreements, orders, or
- Is attributed to a control measure noticed for workshop, or proposed or contained in a State Implementation Plan, or
- Is proposed in the adopted air quality plan pursuant to the California Clean Air Act.

District Rule 4623 - Storage of Organic Liquids, was recently amended on June 15, 2023. For small producers, such as KMP, Table 6 - *Small Producer VOC Control System Requirements for Crude Oil Storage Tanks after June, 30, 2024*, states VOC control system requirements after June 30, 2024, which states the following:

Table 6 – Small Producer VOC Control System Requirements for Crude Oil Storage Tanks after June, 30, 2024

Tank Capacity (gallons)	TVP and Crude Oil Throughput			
	0.1 psia to <11 psia and a tank throughput of >50 to <150 barrels of crude oil per day	0.1 psia to <0.5psia and a tank throughput ≥150 barrels of crude oil per day	0.5 psia to <11 psia and a tank throughput ≥150 barrels of crude oil per day	≥11 psia and regardless of crude oil tank throughput
(Group A) 1,100 to 39,600	Pressure-vacuum relief valve, or internal floating roof, or external floating roof, or vapor recovery system	Pressure-vacuum relief valve, or internal floating roof, or external floating roof, or vapor recovery system	Pressure-vacuum relief valve, or internal floating roof, or external floating roof, or vapor recovery system	Pressure vessel or vapor recovery system
(Group B) >39,600	Pressure-vacuum relief valve, or internal floating roof, or external floating roof, or vapor recovery system	Pressure-vacuum relief valve, or internal floating roof, or external floating roof, or vapor recovery system	Internal floating roof, or external floating roof, or vapor recovery system	Pressure vessel or vapor recovery system

Additionally, Section 4.3 states that small producer's tanks with a throughput limit of 50 bbl. per day are exempt from the requirements of this rule. A summary of the tanks involved in this project is below:

Facility ID	PTO	Equipment	TVP (psia)	Capacity (gallons)	Permitted Throughput (bbl./day)	District Rule 4623 Requirements
C-5870	15	Stock Tank	2.82	10,500	50	Exempt from rule requirements by Section 4.3
	18	Wash Tank	2.82	8,400	50	Exempt from rule requirements by Section 4.3

As stated in the above table, tanks C-5870-15, and -18 are not subject to the requirements of Table 5 - Small Producer VOC Control System Requirements for Crude Oil Storage Tanks until June 30, 2024. Therefore, the emission reductions from this banking action are surplus.

C. Permanent

The tanks have been removed from the leases and oil production has ceased in those tanks. Therefore, the emission reductions from this banking action are permanent.

D. Quantifiable

Actual Emission Reductions (AER) amounts were calculated from historic production records for each of the tanks, established and accepted emission factors, and methods according to District Rule 2201 - *New and Modified Stationary Source Review Rule (Amended 4/20/23)*. Therefore, the emission reductions from this banking action are quantifiable.

E. Enforceable

This Banking action is the result of KMP shutting down two (2) crude oil tanks, located on the Don-Cerini oil production lease. KMP has surrendered all existing crude oil production related permits, and unimplemented Authorities to Construct (ATCs), operating as part of facility C-5870. The following PTOs and unimplemented ATCs have been cancelled per project C-1260794:

- C-5870-15-2: 250 BBL FIXED ROOF STOCK TANK EQUIPPED WITH P/V RELIEF VALVE (DON-CERINI LEASE)
- C-5870-18-1: 200 BBL CRUDE OIL FIXED ROOF WASH TANK WITH PV VENT (DON-CERINI LEASE)
- C-5870-20-0: 500 BBL CRUDE OIL FIXED ROOF WASH TANK EQUIPPED WITH P/V RELIEF VALVE (2X-9 LEASE)
- C-5870-21-0: 220 BBL FIXED ROOF STOCK TANK EQUIPPED WITH P/V RELIEF VALVE (2X-9 LEASE)
- C-5870-24-0: 300 BBL CRUDE OIL FIXED ROOF WASH TANK EQUIPPED WITH VAPOR RECOVERY SYSTEM SHARED WITH PERMIT UNITS C-5870-25 AND '1-26 (DON-CERINI LEASE)
- C-5870-24-0: 250 BBL CRUDE OIL FIXED ROOF STOCK TANK SERVED BY VAPOR RECOVERY SYSTEM LISTED ON PERMIT UNIT C-5870-24 (DON-CERINI LEASE)
- C-5870-24-0: 200 BBL FIXED-ROOF PRODUCED WATER TANK SERVED BY VAPOR RECOVERY SYSTEM LISTED ON PERMIT UNIT C-5780-24 (DON-CERINI LEASE)

Therefore, the emission reductions from this banking action are enforceable.

F. Not used for the approval of an Authority to Construct or as Offsets

The ERCs generated by permanent shutdown of the two tanks were not used in the approval of an Authority to Construct or as offsets for any projects at the facility.

G. Timely Submittal

Pursuant to District Rule 2301 - *Emission Reduction Credit Banking (Amended 4/20/23)*, Section 4.2.3, in order to deem emissions reductions eligible for banking, an application for ERC must be filed no later than 180 days after the AER occurred. Rule 2301 - *Emission Reduction Credit Banking (Amended 4/20/23)*, Section 5.5 addresses when the start date of the 180-day

clock begins. For AER resulting from the cessation of operation of an emissions unit with a Permit to Operate, the date of emission reduction is the date of shutdown (Section 5.5).

KMP Operating, Inc. shutdown on March 1, 2025, and that is the date the AER occurred. The emissions reduction banking application was received on August 21, 2025. Thus the application was received within 180 days of the date the AER occurred. Therefore, the ERC application was filed in a timely manner.

VII. Recommendation

Pending a successful Public Noticing period, issue Emission Reduction Credits (ERCs) certificate to KMP Operating, Inc., in accordance with the amounts specified on the draft ERC certificate in Appendix E (*Draft ERC Certificate*).

Appendices:

- A. Tank and Oil Flow Diagrams
- B. Historical Production Data
- C. Gas Analysis Report
- D. Historical Actual Emissions (HAE) Calculations
- E. Draft ERC Certificate

**Appendix A:
Tank and Oil Flow Diagrams**

KMP Operating

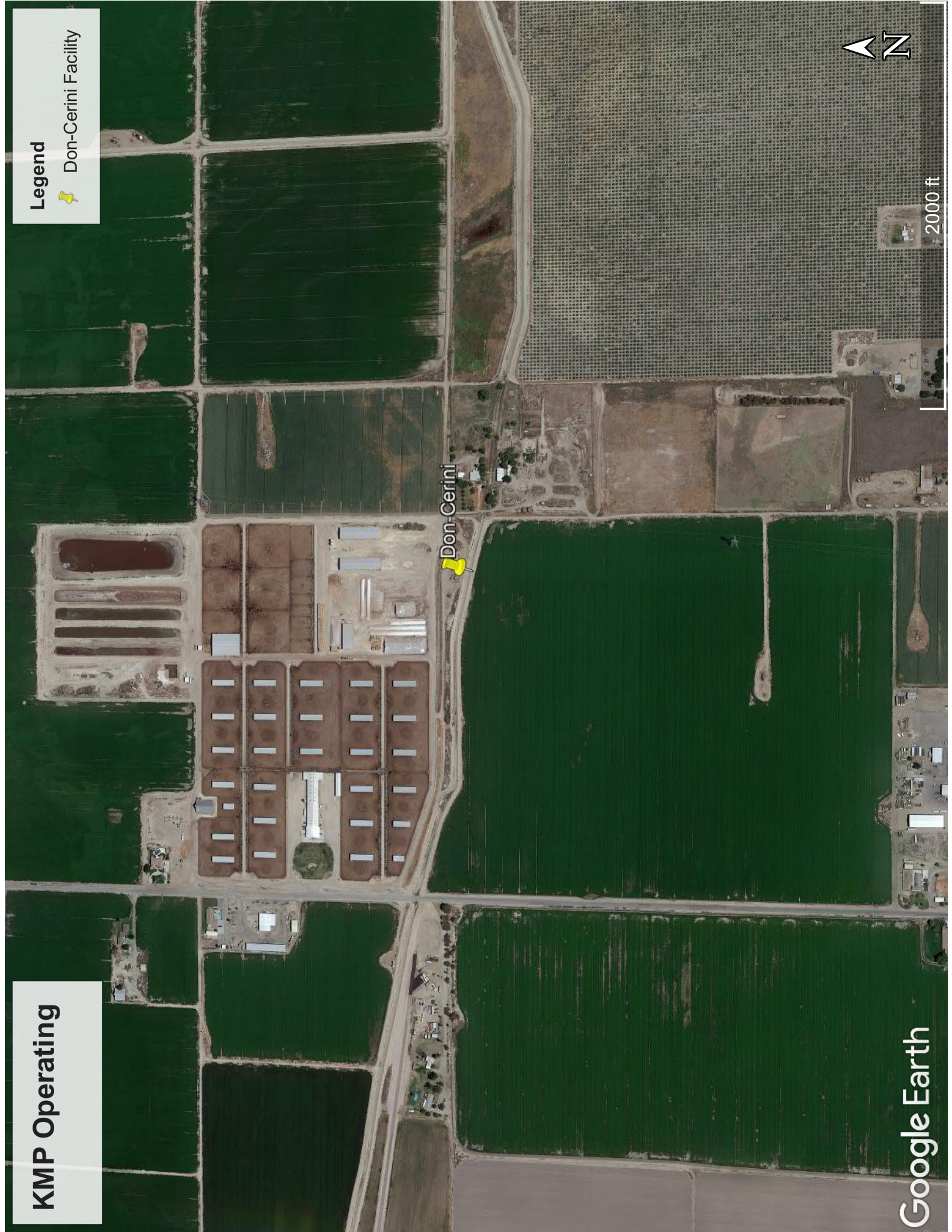
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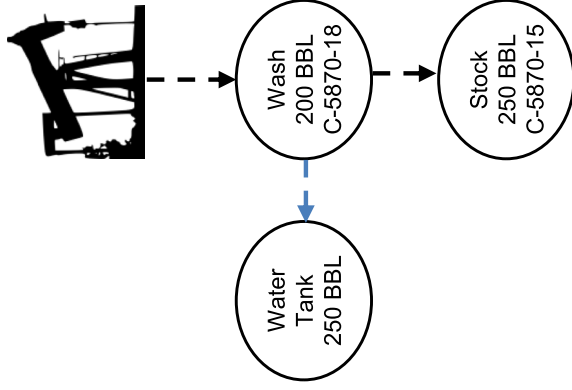
 Don-Cerini Facility

Don-Cerini

Google Earth

2000 ft





Facility Diagram

--- Water Line

--- Production Line

KMP Operating, Inc.

Don Cerini Facility

SEC. 22 T22S R19E

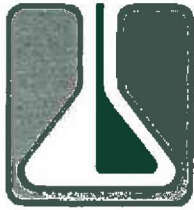
Envirotech
Consultants

5400 ROSEDALE HIGHWAY
BAKERSFIELD, CA 93308

**Appendix B:
Historical Production Data**

Reporting Period	Well Type	Wellbore Code	Pool Code	Pool Name	Completion Interval Type	Reason Well Not on Prod.	Number of Days Well Produced	Clean Oil or Condensate Produced (bbls)	Gravity of Oil
June 2025	Oil & Gas	00	5	Miocene	Oil & Gas	0 - Operating	30	50	36
May 2025	Oil & Gas	00	5	Miocene	Oil & Gas	0 - Operating	31	48	36
April 2025	Oil & Gas	00	5	Miocene	Oil & Gas	0 - Operating	30	55	36
March 2025	Oil & Gas	00	5	Miocene	Oil & Gas	0 - Operating	31	60	36
February 2025	Oil & Gas	00	5	Miocene	Oil & Gas	0 - Operating	28	92	36
January 2025	Oil & Gas	00	5	Miocene	Oil & Gas	0 - Operating	31	48	36
December 2024	Oil & Gas	00	5	Miocene	Oil & Gas	0 - Operating	31	82	36
November 2024	Oil & Gas	00	5	Miocene	Oil & Gas	0 - Operating	30	18	36
October 2024	Oil & Gas	00	5	Miocene	Oil & Gas	0 - Operating	31	115	36
September 2024	Oil & Gas	00	5	Miocene	Oil & Gas	0 - Operating	30	70	36
August 2024	Oil & Gas	00	5	Miocene	Oil & Gas	0 - Operating	27	145	36
July 2024	Oil & Gas	00	5	Miocene	Oil & Gas	0 - Operating	31	152	36
June 2024	Oil & Gas	00	5	Miocene	Oil & Gas	0 - Operating	29	140	36
May 2024	Oil & Gas	00	5	Miocene	Oil & Gas	0 - Operating	6	19	36
April 2024	Oil & Gas	00	5	Miocene	Oil & Gas	0 - Operating	30	133	36
March 2024	Oil & Gas	00	5	Miocene	Oil & Gas	0 - Operating	28	68	36
February 2024	Oil & Gas	00	5	Miocene	Oil & Gas	0 - Operating	27	35	36
January 2024	Oil & Gas	00	5	Miocene	Oil & Gas	0 - Operating	0	0	0
December 2023	Oil & Gas	00	5	Miocene	Oil & Gas	6 - Shut-in	0	0	0
November 2023	Oil & Gas	00	5	Miocene	Oil & Gas	6 - Shut-in	0	0	0
October 2023	Oil & Gas	00	5	Miocene	Oil & Gas	6 - Shut-in	0	0	0
September 2023	Oil & Gas	00	5	Miocene	Oil & Gas	0 - Operating	31	0	0
August 2023	Oil & Gas	00	5	Miocene	Oil & Gas	0 - Operating	0	0	0
July 2023	Oil & Gas	00	5	Miocene	Oil & Gas	0 - Operating	31	20	36
June 2023	Oil & Gas	00	5	Miocene	Oil & Gas	0 - Operating	31	50	36
May 2023	Oil & Gas	00	5	Miocene	Oil & Gas	0 - Operating	26	170	36
April 2023	Oil & Gas	00	5	Miocene	Oil & Gas	0 - Operating	12	36	36
March 2023	Oil & Gas	00	5	Miocene	Oil & Gas	0 - Operating	28	177	36
February 2023	Oil & Gas	00	5	Miocene	Oil & Gas	0 - Operating	31	118	36
January 2023	Oil & Gas	00	5	Miocene	Oil & Gas	0 - Operating	28	240	36
December 2022	Oil & Gas	00	5	Miocene	Oil & Gas	0 - Operating	4	10	36
November 2022	Oil & Gas	00	5	Miocene	Oil & Gas	0 - Operating	22	133	36
October 2022	Oil & Gas	00	5	Miocene	Oil & Gas	0 - Operating	14	126	36
September 2022	Oil & Gas	00	5	Miocene	Oil & Gas	0 - Operating	11	100	36
August 2022	Oil & Gas	00	5	Miocene	Oil & Gas	6 - Shut-in	0	0	0
July 2022	Oil & Gas	00	5	Miocene	Oil & Gas	0 - Operating	3	52	36
June 2022	Oil & Gas	00	5	Miocene	Oil & Gas	0 - Operating	19	184	36
May 2022	Oil & Gas	00	5	Miocene	Oil & Gas	0 - Operating	11	99	36
April 2022	Oil & Gas	00	5	Miocene	Oil & Gas	0 - Operating	17	69	36
March 2022	Oil & Gas	00	5	Miocene	Oil & Gas	0 - Operating	17	165	36
February 2022	Oil & Gas	00	5	Miocene	Oil & Gas	0 - Operating	5	125	36
January 2022	Oil & Gas	00	5	Miocene	Oil & Gas	0 - Operating	10	93	36

**Appendix C:
Gas Analysis Report**



ZALCO LABORATORIES, INC.

Analytical & Consulting Services

4309 Armour Avenue
Bakersfield, California 93308

(661) 395-0539
FAX (661) 395-3069

KMP Operating Inc. 22720 Morton Ranch Rd. Ste 160 Katy, TX 77449	Project: Master Project #: Master Attention: Kevin Presto	Work Order No.: 2309632 Reported: 10/12/2023 Received: 09/27/23 09:36
--	---	---

Lab Sample ID: 2309632-01 Client Sample ID: Cerini 1-22 Wash TK	Collected By: Jordan McCullough Date Collected: 9/27/2023 8:00:00AM
--	--

Analyte	Results	PQL	Units	Flag	Method	Date Prepared	Date Analyzed	Init.
Petroleum Chemistry								
API Gravity @ 60F, Hydrometer	36.2		*API		ASTM D 287	10/11/23	10/11/23	JAM
Calculated True Vapor Pressure, TVP @ 100°F	3.25	0.05	psi		% Calculation	10/11/23	10/11/23	JAM
Reid Vapor Pressure, RVP	3.25	0.05	psi		ASTM D 323	10/11/23	10/11/23	JAM

NSS: Non Sufficient Sample H: Exceeds Analysis Hold Time TTLC: Total Threshold Limit Concentration STLC: Soluble Threshold Limit Concentration TCLP: Toxicity Characteristic Leaching Procedure MCL: Maximum Contaminant Level *: See Case Narrative

The results in this report apply to the samples analyzed in accordance with the chain of custody document. This analytical report must be reproduced in its entirety.

Note: Samples analyzed for regulatory purposes should be put on ice immediately after sampling and received by the laboratory at temperatures between 0-6°C. Microbiological analysis requires samples to be at least 4-10°C when received at the laboratory. For additional information regarding the limitations of the method(s) referred to, please call us at 661-395-0539.

Appendix D:
Historical Actual Emissions (HAE) Calculations

input

****FOR REFERENCE** PAINT TABLE**

PAINT COLOR	SHADE/ TYPE	PAINT FACTORS PAINT CONDITION	
		GOOD	POOR
ALUMINUM	SPECULAR	0.39	0.49
ALUMINUM	DIFFUSE	0.60	0.68
GRAY	LIGHT	0.54	0.63
GRAY	MEDIUM	0.68	0.74
RED	PRIMER	0.89	0.91
WHITE	--NONE--	0.17	0.34

LIQUID TYPE	CODE	
CRUDE OIL	0	CRUDE
MOTOR GASOLINE	1	MOTOR GAS
AVIATION GASOLINE	2	AV GAS
LIGHT NAPHTHA (RVP 9-14 PSIA)	3	LT NAPHTHA
NAPHTHA (RVP 2-8 PSIA)	4	NAPHTHA

METEOROLOGICAL DATA CODES

AREA	CODE
BAKERSFIELD	0
FRESNO	1
STOCKTON	2

****PRESS [ENTER] TO SKIP TO NEXT MODIFIABLE CELL****

GIVEN AND ASSUMED DATA	
USING THE CODES ABOVE, WHAT REGION PERMIT NUMBERS DO YOU WANT TO USE? (0, 1, OR 2)	1
USING THE CODES ABOVE, WHAT AREA METEOROLOGICAL DATA DO YOU WANT TO USE? (0, 1, 2, ...)	1
REID VAPOR PRESSURE (psia)	3.25
VAPOR MOLECULAR WEIGHT (Mv)	50.00
USING THE CODES ABOVE, WHAT TYPE OF ORGANIC LIQUID (0, 1, 2, ...)	0
VOC CONTROL EFFICIENCY	0.00
TANK SHELL DIAMETER (FEET)	9.50
TANK SHELL HEIGHT, Hs (FEET)	20.00
VENT VACUUM (ENTER "-" FOLLOWED BY A VALUE IN PSIG)	-0.03
VENT PRESSURE (POSITIVE psig)	0.03
TANK ID	
TANK USE	Stock tank
SJVUAPCD PERMIT#	C-5870-15-0
CONE OR DOME ROOF (C/D)	C
MAXIMUM TOTAL DAILY THROUGHPUT (BBL/DAY)	13.70
MIN LIQUID HEIGHT (USE 0.0 FT FOR DEFAULT)	2.00
TANK ROOF PAINT CONDITION, GOOD OR POOR (G/P)	G
TANK ROOF PAINT COLOR, SEE ABOVE (A/G/R/W)	G
TANK ROOF PAINT SHADE, SEE ABOVE (S/D/L/M/P/N)	M
TANK SHELL PAINT CONDITION, GOOD OR POOR (G/P)	G
TANK SHELL PAINT COLOR, SEE ABOVE (A/G/R/W)	G
TANK SHELL PAINT SHADE, SEE ABOVE (S/D/L/M/P/N)	M

MODIFIABLE DATA	
----	----
----	----
----	--N/R--
----	----
CONE ROOF	----
GIVEN ROOF HEIGHT OR SLOPE (H/S)	S
----	----
TANK CONE ROOF SLOPE, Sr (DEFAULT=0.0625) (ft/ft)	0.0625
----	----
----	----
DO YOU WANT TO ENTER A MAX LIQUID HEIGHT? (Y/N)	Y
ENTER MAXIMUM LIQUID HEIGHT (ft)	18.00
----	18.00
DO YOU WANT TO ENTER AN AVERAGE LIQUID HEIGHT? (Y/N)	Y
----	----
ENTER AVERAGE LIQUID HEIGHT (ft)	9.0
IS TANK CONSTANT LEVEL? (Y/N)	N
----	----
ARE THE CONTENTS OF THE TANK HEATED? (Y/N)	N
----	----

TANK ID	TANK USE	SJVUAPCD PERMIT #	TANK TYPE H OR V	SHELL DIMENSIONS		CAPACITY (BBL)	ROOF TYPE (C/D)	VENT PSIG	
				D (FT)	Hs (FT)			VAC.	PRESS.
3	Stock tank	C-5870-15-0	VERTICAL	9.5	20.0	249.8	CONE	-0.03	0.03

TANK ROOF		PAINT FACTOR	LIQUID DATA			CONSTANT LEVEL?	VAPOR MOL. WT.	VOC CNTRL %EFF (w/w)	
COND.	COLOR		TYPE	Ht=H(lx)	Kp				RVP
GOOD	GRAY	0.68	CRUDE	18.0	0.75	3.25	NO	50.00	0.0

****UNCONTROLLED EMISSIONS****

CALENDAR		SURFACE T(la) F	CALC TVP @ T(la)	RATE (BBL/MON)	TURNOVER PER MON.	FAC-(Kn)	VOC (LBM/MONTH)			TOTAL (LBM/QTR)
QUARTER	MONTH						Ls	Lw	TOTAL (Lt)	
FIRST	JANUARY	62.12	1.67	424.7	2.12	1.000	12.95	26.56	39.50	144.44
	FEBRUARY	65.97	1.81	383.6	1.92	1.000	17.35	26.03	43.37	
	MARCH	71.03	2.01	424.7	2.12	1.000	29.53	32.03	61.57	
SECOND	APRIL	75.57	2.21	411	2.06	1.000	38.79	34.02	72.81	262.90
	MAY	81.36	2.48	424.7	2.12	1.000	51.43	39.50	90.93	
	JUNE	85.36	2.68	411	2.06	1.000	57.79	41.38	99.17	
THIRD	JULY	87.95	2.82	424.7	2.12	1.000	62.19	44.97	107.16	289.12
	AUGUST	85.98	2.72	424.7	2.12	1.000	56.21	43.27	99.49	
	SEPTEMBER	81.63	2.49	411	2.06	1.000	44.03	38.44	82.47	
FOURTH	OCTOBER	74.33	2.15	424.7	2.12	1.000	31.32	34.28	65.60	151.74
	NOVEMBER	66.64	1.84	411	2.06	1.000	18.74	28.28	47.02	
	DECEMBER	61.84	1.66	424.7	2.12	1.000	12.73	26.40	39.13	

****CONTROLLED EMISSIONS (BASED ON MONTHLY CALCULATIONS)****

CALENDAR		SURFACE T(la) F	CALC TVP @ T(la)	RATE (BBL/QTR)	TURNOVER PER QTR.	FAC-(Kn)	VOC (LBM/QTR)		
QUARTER	MONTH						Ls	Lw	TOTAL (Lt)
FIRST	JAN-MAR	66.37	1.83	1233	6	1.000	60	85	144
SECOND	APR-JUN	80.76	2.46	1246.7	6	1.000	148	115	263
THIRD	JUL-SEP	85.19	2.68	1260.4	6	1.000	162	127	289
FOURTH	OCT-DEC	67.60	1.88	1260.4	6	1.000	63	89	152
QUARTERLY AVERAGE		74.98	2.21	1250			108	104	212
DAILY AVERAGE (LB/DAY, BASED ON MONTHLY CALCULATIONS)							1.2	1.1	2.3
ANNUAL EMISSIONS (LB/YEAR, BASED ON MONTHLY CALCULATIONS)							433	415	848

Tank Emission Calculation Spreadsheet, version 01/23/03

input

****FOR REFERENCE** PAINT TABLE**

PAINT COLOR	SHADE/ TYPE	PAINT FACTORS PAINT CONDITION	
		GOOD	POOR
ALUMINUM	SPECULAR	0.39	0.49
ALUMINUM	DIFFUSE	0.60	0.68
GRAY	LIGHT	0.54	0.63
GRAY	MEDIUM	0.68	0.74
RED	PRIMER	0.89	0.91
WHITE	--NONE--	0.17	0.34

LIQUID TYPE	CODE	
CRUDE OIL	0	CRUDE
MOTOR GASOLINE	1	MOTOR GAS
AVIATION GASOLINE	2	AV GAS
LIGHT NAPHTHA (RVP 9-14 PSIA)	3	LT NAPHTHA
NAPHTHA (RVP 2-8 PSIA)	4	NAPHTHA

METEOROLOGICAL DATA CODES

AREA	CODE
BAKERSFIELD	0
FRESNO	1
STOCKTON	2

****PRESS [ENTER] TO SKIP TO NEXT MODIFIABLE CELL****

GIVEN AND ASSUMED DATA	
USING THE CODES ABOVE, WHAT REGION PERMIT NUMBERS DO YOU WANT TO USE? (0, 1, OR 2)	1
USING THE CODES ABOVE, WHAT AREA METEOROLOGICAL DATA DO YOU WANT TO USE? (0, 1, 2, ...)	1
REID VAPOR PRESSURE (psia)	3.25
VAPOR MOLECULAR WEIGHT (Mv)	50.00
USING THE CODES ABOVE, WHAT TYPE OF ORGANIC LIQUID (0, 1, 2, ...)	0
VOC CONTROL EFFICIENCY	0.00
TANK SHELL DIAMETER (FEET)	9.50
TANK SHELL HEIGHT, Hs (FEET)	16.00
VENT VACUUM (ENTER "-" FOLLOWED BY A VALUE IN PSIG)	-0.03
VENT PRESSURE (POSITIVE psig)	0.03
TANK ID	
TANK USE	Wash tank
SJVUAPCD PERMIT#	C-5870-18-0
CONE OR DOME ROOF (C/D)	C
MAXIMUM TOTAL DAILY THROUGHPUT (BBL/DAY)	13.70
MIN LIQUID HEIGHT (USE 0.0 FT FOR DEFAULT)	2.00
TANK ROOF PAINT CONDITION, GOOD OR POOR (G/P)	G
TANK ROOF PAINT COLOR, SEE ABOVE (A/G/R/W)	G
TANK ROOF PAINT SHADE, SEE ABOVE (S/D/L/M/P/N)	M
TANK SHELL PAINT CONDITION, GOOD OR POOR (G/P)	G
TANK SHELL PAINT COLOR, SEE ABOVE (A/G/R/W)	G
TANK SHELL PAINT SHADE, SEE ABOVE (S/D/L/M/P/N)	M

MODIFIABLE DATA	
----	----
----	----
----	--N/R--
----	----
CONE ROOF	----
GIVEN ROOF HEIGHT OR SLOPE (H/S)	S
----	----
TANK CONE ROOF SLOPE, Sr (DEFAULT=0.0625) (ft/ft)	0.0625
----	----
----	----
DO YOU WANT TO ENTER A MAX LIQUID HEIGHT? (Y/N)	Y
ENTER MAXIMUM LIQUID HEIGHT (ft)	14.00
----	14.00
DO YOU WANT TO ENTER AN AVERAGE LIQUID HEIGHT? (Y/N)	Y
----	----
ENTER AVERAGE LIQUID HEIGHT (ft)	14.0
IS TANK CONSTANT LEVEL? (Y/N)	Y
IF YES, NUMBER OF TURNS PER MONTH (DEF.=0.33)	0.33
ARE THE CONTENTS OF THE TANK HEATED? (Y/N)	N
----	----

TANK ID	TANK USE	SJVUAPCD PERMIT #	TANK TYPE H OR V	SHELL DIMENSIONS		CAPACITY (BBL)	ROOF TYPE (C/D)	VENT PSIG	
				D (FT)	Hs (FT)			VAC.	PRESS.
3	Wash tank	C-5870-18-0	VERTICAL	9.5	16.0	202.0	CONE	-0.03	0.03

TANK ROOF		PAINT FACTOR	LIQUID DATA			CONSTANT LEVEL?	VAPOR MOL. WT.	VOC CNTRL %EFF (w/w)	
COND.	COLOR		TYPE	Ht=H(lx)	Kp				RVP
GOOD	GRAY	0.68	CRUDE	14.0	0.75	3.25	YES	50.00	0.0

****UNCONTROLLED EMISSIONS****

CALENDAR		SURFACE T(la) F	CALC TVP @ T(la)	RATE (BBL/MON)	TURNOVER PER MON.	FAC-(Kn)	VOC (LBM/MONTH)			TOTAL (LBM/QTR)
QUARTER	MONTH						Ls	Lw	TOTAL (Lt)	
FIRST	JANUARY	62.12	1.67	424.7	0.33	1.000	4.13	3.13	7.26	30.19
	FEBRUARY	65.97	1.81	383.6	0.33	1.000	5.70	3.39	9.09	
	MARCH	71.03	2.01	424.7	0.33	1.000	10.07	3.77	13.84	
SECOND	APRIL	75.57	2.21	411	0.33	1.000	13.68	4.14	17.82	68.38
	MAY	81.36	2.48	424.7	0.33	1.000	18.94	4.65	23.59	
	JUNE	85.36	2.68	411	0.33	1.000	21.94	5.03	26.97	
THIRD	JULY	87.95	2.82	424.7	0.33	1.000	24.07	5.29	29.36	76.82
	AUGUST	85.98	2.72	424.7	0.33	1.000	21.44	5.09	26.53	
	SEPTEMBER	81.63	2.49	411	0.33	1.000	16.25	4.68	20.93	
FOURTH	OCTOBER	74.33	2.15	424.7	0.33	1.000	10.94	4.04	14.98	31.77
	NOVEMBER	66.64	1.84	411	0.33	1.000	6.18	3.44	9.62	
	DECEMBER	61.84	1.66	424.7	0.33	1.000	4.06	3.11	7.17	

****CONTROLLED EMISSIONS (BASED ON MONTHLY CALCULATIONS)****

CALENDAR		SURFACE T(la) F	CALC TVP @ T(la)	RATE (BBL/QTR)	TURNOVER PER QTR.	FAC-(Kn)	VOC (LBM/QTR)		
QUARTER	MONTH						Ls	Lw	TOTAL (Lt)
FIRST	JAN-MAR	66.37	1.83	1233	1	1.000	20	10	30
SECOND	APR-JUN	80.76	2.46	1246.7	1	1.000	55	14	68
THIRD	JUL-SEP	85.19	2.68	1260.4	1	1.000	62	15	77
FOURTH	OCT-DEC	67.60	1.88	1260.4	1	1.000	21	11	32
QUARTERLY AVERAGE		74.98	2.21	1250			39	12	52
DAILY AVERAGE (LB/DAY, BASED ON MONTHLY CALCULATIONS)							0.4	0.1	0.6
ANNUAL EMISSIONS (LB/YEAR, BASED ON MONTHLY CALCULATIONS)							157	50	207

Tank Emission Calculation Spreadsheet, version 01/23/03

**Appendix E:
Draft ERC Certificate**

**San Joaquin Valley
Air Pollution Control District**

Central Regional Office • 1990 E. Gettysburg Ave. • Fresno, CA 93726

Emission Reduction Credit Certificate

DRAFT
C-1593-1

ISSUED TO: KMP OPERATING, INC

ISSUED DATE: <DRAFT>

LOCATION OF REDUCTION: NW SECTION 16 TOWNSHIP 17S RANGE 19E
W CERINI AVE & S BRYAN AVE
RIVERDALE, CA

SECTION: 22 TOWNSHIP: 22S RANGE: 19E

For VOC Reductions In The Amount Of:

Quarter 1	Quarter 2	Quarter 3	Quarter 4
148 lbs	328 lbs	290 lbs	188 lbs

Method Of Reduction

- Shutdown of Entire Stationary Source
- Shutdown of Emissions Units
- Other

shut down of (1) 200 bbl wash tanks (C-5870-18), and (1) 250 bbl stock tank (C-5870-15) operating on the Don Cerini Lease within Sec 22, Township 22S, Range 19E.

Use of these credits outside the San Joaquin Valley Unified Air Pollution Control District (SJVUAPCD) is not allowed without express written authorization by the SJVUAPCD.

Samir Sheikh, Executive Director / APCO

Brian Clements, Director of Permit Services