

**STATE OF CALIFORNIA
ENERGY RESOURCES CONSERVATION
AND DEVELOPMENT COMMISSION**

In the Matter of:

Application For Certification
Elk Hills Power Project

) Docket No.: 99-AFC-1C
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**DOCKET
99-AFC-1**

DATE July 01 2011

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**ELK HILLS POWER, LLC REQUEST FOR ADMINISTRATIVE CHANGE
TO ALLOW OPERATION AS A COGENERATION FACILITY**

Dated: July 1, 2011

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**STATE OF CALIFORNIA
ENERGY RESOURCES CONSERVATION
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In the Matter of:)	Docket No.: 99-AFC-1C
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**ELK HILLS POWER, LLC REQUEST FOR ADMINISTRATIVE CHANGE
TO ALLOW OPERATION AS A COGENERATION FACILITY**

Elk Hills Power, LLC respectfully requests a minor change to the Commission Decision for the Elk Hills Power Project (P 800-00-013 [December 2000] “Decision”) to operate the Elk Hills Power project (“EHP”) as a cogeneration facility (the “Cogeneration Project”).¹ EHP would be modified by adding connections to the high and intermediate pressure steam systems and condensate system. The modifications would allow EHP to deliver useful cogenerated thermal energy to support natural gas processing facilities in the adjacent Occidental of Elk Hills, Inc. (“OEHI”) oil and gas processing facilities (referred to as the “35R Gas Processing Facilities”). The Cogeneration Project allows an overall improvement in efficiency of the combined operations by using thermal energy from EHP to replace the heating load that would otherwise be supplied by natural gas fired heaters at the 35R Gas Processing Facilities.

The Cogeneration Project does not have the potential to cause any significant adverse environmental impacts. The proposed changes are administrative in nature because:

- None of the Decision’s Conditions of Certification (“COC”) need to be modified or changed.

¹ The Commission or Commission Staff have previously approved amendments to the Decision on October 24, 2001 (soot filters); January 8, 2003 (access road); March 19, 2003 (commissioning emissions); July 23, 2003 (startup emissions); March 17, 2004 (PM10 emission rates); March 16, 2005 (extend cold startup); January 2, 2008 (changes to air quality conditions); March 21, 2008 (change to water supply pipeline); October 5, 2009 (230kV switchyard); and September 16, 2010 (cooling tower emissions).

- All of the construction necessary for the Cogeneration Project would occur on disturbed and mitigated areas within either the EHP fence line or the adjacent, existing 35R Gas Processing Facilities.
- The Cogeneration Project will not require any changes to the San Joaquin Valley Unified Air Pollution Control District's ("District") permits to operate for EHP.
- The areas impacted by the Cogeneration Project are disturbed and mitigated under existing Biological Opinions from the United States Fish and Wildlife Service ("USFWS").
- EHP is located in approximately the center of the 74 square-mile Elk Hills Oil and Gas Field with the nearest residence over five miles away, and
- The existing COCs will apply to the Cogeneration Project, as appropriate in light of the fact that all construction will occur on previously disturbed and mitigated lands.

EHP has a California Independent System Operator ("CAISO") scheduled and approved outage for a two week period during late October through early November of 2011. EHP proposes to make modifications to EHP associated with the Cogeneration Project during this scheduled outage. EHP will need to be down to connect the new steam and condensate lines (Tie-ins).

The scheduled outage is a good opportunity to complete steam and condensate tie-ins associated with the proposed Cogeneration Project. In addition, the October and November timeframe is outside of CAISO peak resource needs and accommodates the timeframe associated with subsequent completion of the District approved Cryogenic Natural Gas Processing Plant ("CGPI") under development by OEHI. Because no changes are needed to the COCs, and because there is no possibility of a significant effect on the environment, EHP believes the California Energy Commission ("Commission") Staff's process can be completed to support construction of the Cogeneration Project in October and November of 2011. EHP thanks Commission Staff in advance for their support in meeting this schedule.

This Petition for Amendment of the Commission Decision to Operate as a Cogeneration Project is filed pursuant to Title 20 of the California Code of Regulations Section 1769(a). The remainder of this Petition provides the information required by that section.

I. DESCRIPTION OF THE EXISTING ELK HILLS POWER PROJECT

The Commission approved EHP's Application for Certification ("AFC") in December 2000. EHP began commercial operation on July 24, 2003. EHP is located in western Kern County, west of Bakersfield, near the community of Tupman. EHP lies on a 12-acre site at the approximate center of the 74-square mile Elk Hills Oil and Gas Field. (See Figure 1.) The 12-acre site is directly adjacent to the highly disturbed and developed 35R Gas Processing Facilities and the 35R Cogeneration Plant, both operated by OEHI (see Figure 2). The 74-square mile Elk Hills Oil and Gas Field is a fenced and secured area. The nearest residence is located more than 5 miles from EHP.

EHP is a nominal 550-megawatt ("MW") combined-cycle natural gas fired power plant configured with two General Electric Frame 7FA gas turbines that exhaust into two heat recovery steam generators ("HRSGs") with supplemental fired capacity, and a single 250 MW steam turbine. EHP delivers electricity to the EHP 230kV switchyard, which then is transmitted via a generation tie line to the interconnection point at the PG&E Midway Substation. Consistent with the October 2009 amendment to the Decision, OEHI is constructing a new 230 kV transmission line that will interconnect to the EHP 230 kV switchyard, facilitating power flow from EHP 230 kV switchyard to a new 230 kV substation that OEHI is constructing.

II. DESCRIPTION OF THE COGENERATION PROJECT

The Cogeneration Project will enable EHP to supply useful cogenerated thermal energy to the existing OEHI local steam network that supplies the 35R Gas Processing Facilities. Currently, steam is provided for process use by an existing 42 MW cogeneration facility (the "35R Cogeneration Plant"). OEHI is expanding its gas processing capability with the addition of a cryogenic gas plant ("CGP1"). OEHI will need steam from both the 35R Cogeneration Plant and EHP to efficiently meet its thermal energy requirements. OEHI will proceed with CGP1 regardless of whether the Commission Staff approves the Cogeneration Project. If OEHI does not obtain thermal energy for CGP1 from EHP, it will be necessary to supply more thermal

energy from the natural gas fired heaters at the 35R Gas Processing Facilities. Satisfying the CGP1 thermal load using cogenerated steam from EHP is preferred, but not required to proceed with CGP1. The CGP1 natural gas fired heaters will be operated at reduced load, supplemented by cogenerated thermal energy provided by EHP. The CGP1 natural gas fired heaters will be operated to assure they are available to provide backup thermal energy to CGP1 during periods when thermal energy is not supplied by EHP.

Specifically, there will be four tie-ins to EHP (see Process Flow Diagrams, attached as Figure 3). The first tie-in is a tee that will be welded into a common high pressure steam header downstream of both HRSGs. The second tie-in involves a tee welded into the boiler feed water supply lines from each HRSG to provide de-superheating water to the extracted high pressure steam. The third tie-in will be a tee accessing the intermediate pressure steam, downstream of the high pressure section of the steam turbine and upstream of the HRSG re-heat sections. At this time, the Cogeneration Project does not anticipate using intermediate pressure steam. The fourth tie-in will be a tee welded into the common condensate return header. A branch of each tee will include double block and bleed assemblies that will be accessible from existing platforms. The interconnecting pipelines will be run on existing supports east of the control room. Each of the new pipelines will include a control valve that will be connected to and controlled by the EHP distributed control system.

These pipelines will exit the EHP property northwest of the cooling tower. They will enter a series of new heat exchangers located in an area currently occupied by a gas treating unit (GTU1). The new heat exchangers will include a superheater, steam generator and boiler feed water preheater (“Heat Exchanger Facilities”). In order to make room for the Heat Exchanger Facilities, a portion of the out-of-service GTU1 will need to be removed. GTU1 was previously used for gas processing, but has been out of service since 2007.

The steam coming from EHP will not be comingled with the existing OEHI steam and condensate system associated with the 35R Gas Processing Facilities. Blow down from the steam generator in the Heat Exchanger Facilities will be recovered and sent to the EHP cooling tower, reducing EHP’s make up water requirements. The Heat Exchanger Facilities will be used to transfer useful thermal energy from EHP to the steam system associated with the 35R Gas Processing Facilities. Pipelines carrying steam and boiler feed water will extend from the Heat

Exchanger Facilities to the existing steam and boiler feed water pipelines associated with the 35R Gas Processing Facilities that run on an existing north/south pipe rack located south of the 35R Cogeneration Plant.

By using steam generated in the EHP HRSGs, the power output of EHP steam turbines will be reduced by 10 to 25 MW. In addition, providing thermal energy to the 35R Gas Processing Facilities will reduce load at the EHP cooling tower and thereby reduce the overall water use by EHP. Steam flow from EHP for use in the 35R Gas Processing Facilities may vary from 0 to 160,000 lbs/hr, averaging approximately 80,000 lbs/hr annually.

Should Commission Staff approve the Cogeneration Project, Kern County will review the plans for the Cogeneration Project in the building permit process. The steam and condensate lines from the Heat Exchanger Facilities to the existing steam system associated with the 35R Gas Processing Facilities will be reviewed in the building permit process by Kern County. CGP1 has been evaluated and permitted by the District and Kern County. (See Attachment 1 - District Authority to Construct and Initial Study and Final Negative Declaration for CGP1.)

All of the new equipment for the Cogeneration Project would be installed on previously-disturbed property within the existing EHP fence line or within the area of the 35R Gas Processing Facilities. Once the steam and condensate pipelines leave the EHP fence line they will enter the area currently used by GTU1. Existing GTU1 equipment will be removed to make room for the Heat Exchanger Facilities. Similarly, the steam and condensate pipelines going from the Heat Exchanger Facilities to the existing steam system associated with the 35R Gas Processing Facilities are located within the disturbed and mitigated areas of the 35R Gas Processing Facilities. Thus, all Cogeneration Project and OEHI steam system construction will take place exclusively on previously-disturbed areas that have been evaluated and mitigated for resource impacts in connection with either previous development at the 35R Gas Processing Facilities or the Commission's review of EHP.

As mentioned above, no COCs need to be modified for construction or operation of the Cogeneration Project. All modifications will be designed to the current California Building Code and to meet current laws, ordinances, regulations and standards ("LORS") as required by COC GEN-1.

III. THE COGENERATION PROJECT IS NEEDED TO SUPPLY NEARBY 35R GAS PROCESSING FACILITIES WITH EFFICIENTLY-PRODUCED STEAM

Occidental Petroleum Corporation (“Oxy”), the corporate parent of EHP, engages in the extraction and processing of hydrocarbons and other industrial processes. Oxy currently operates other natural gas-fired power generation facilities in the U.S. However, Oxy operates all of these other facilities as cogeneration facilities to provide an efficient source of useful thermal energy for Oxy’s process needs. The Cogeneration Project would allow EHP to serve this purpose as well by providing thermal energy to the Heat Exchanger Facilities, for use in the 35R Gas Processing Facilities.

The Cogeneration Project is needed to supply thermal energy to the existing steam system associated with the 35R Gas Processing Facilities and CGP1. At the time EHP was approved, steam demand from the 35R Gas Processing Facilities could be satisfied by the 35R Cogeneration Plant alone. With the addition of CGP1, steam demand will increase beyond the capability of the 35R Cogeneration Plant. The Cogeneration Project will provide energy efficiency benefits compared to using the natural gas fired heaters at the 35R Gas Processing Facilities, reducing overall natural gas consumption by a total of 1,243 billion British thermal units per year (MMMBtu/yr). The Cogeneration Project is expected to also reduce overall carbon dioxide (“CO₂”) emissions by 65,841 metric tons per year (MT/yr). Attachment 2 provides detailed information regarding the Cogeneration Project’s energy efficiency, emissions reductions and water usage reduction benefits.

If EHP is not modified to supply thermal energy to the existing local steam network, the thermal energy would need to be generated by the CGP1 natural gas fired heaters and the efficiency improvements and associated CO₂ reductions would be lost. Therefore, EHP proposes this amendment to supply thermal energy to the existing 35R Gas Processing Facilities.

IV. THE INFORMATION WAS NOT KNOWN BY EHP DURING THE APPLICATION FOR CERTIFICATION PROCEEDING

As noted above, since the time EHP was constructed, the OEHI steam needs have changed. This change was not contemplated by EHP during the licensing proceeding. Ten years after the Decision, OEHI applied for and in December 2010 the District approved CGP1. CGP1 increases the thermal energy requirements for OEHI to a level that cannot be supplied by the

existing 35R Gas Processing Facilities. Therefore, EHP proposes to meet OEHI's increased thermal demand through the proposed Cogeneration Project.

V. EHP'S PROPOSED AMENDMENT IS NOT BASED ON NEW INFORMATION THAT CHANGES OR UNDERMINES THE ASSUMPTIONS, RATIONALE, FINDINGS OR OTHER BASES OF THE DECISION

The circumstances prompting the Cogeneration Project would not change or undermine the basis of the Decision in any way. The Cogeneration Project would allow certain process and equipment changes to EHP that would enable it to deliver thermal energy to the Heat Exchanger Facilities, which will be used to transfer useful thermal energy to the 35R Gas Processing Facilities steam system. These changes would not fundamentally change EHP or its environmental impacts (discussed in greater detail below). The Cogeneration Project would simply allow a portion of EHP's steam to be diverted from the EHP steam turbine to supply the thermal energy needs of the 35R Gas Processing Facilities.

VI. THE COGENERATION PROJECT WILL NOT CREATE SIGNIFICANT ADVERSE IMPACTS ON THE ENVIRONMENT

As discussed below, the Cogeneration Project would not cause any significant environmental impacts, would occur within the existing disturbed areas, and would provide an opportunity to use steam for process purposes.

A. Air Quality

The Cogeneration Project would not increase EHP's air emissions. EHP would continue to operate exactly as it does now from an air emissions perspective, with one exception: when steam is diverted to the Heat Exchanger Facilities, there would be slightly less cooling tower drift because that steam would no longer need to be condensed by EHP, thus reducing the cooling load on EHP's cooling tower.

Because the Cogeneration Project would reduce the normal operating rate of the natural gas fired heaters at the 35R Gas Processing Facilities, the Cogeneration Project results in efficiency benefits and net emissions decreases as shown in Table 1 below. See also Attachment 2 to this Petition for more detailed information regarding fuel, water, and emissions reductions resulting from the Cogeneration Project. In sum, the Cogeneration Project would not cause any

operational air quality impacts beyond those already analyzed in the Decision.

Table 1 – Estimated Total Cumulative Operational Emissions

Pollutant	Emissions When Operating as Combined Cycle	Emissions When Operating as Cogen	Difference with Cogen
CO ₂	94,749 MT/yr	28,908 MT/yr	(65,841) MT/yr
NO _x	5.7 tpy	1.7 tpy	(4.0) tpy
SO _x	2.4 tpy	0.7 tpy	(1.7) tpy
PM ₁₀	6.9 tpy	2.1 tpy	(4.8) tpy
CO	34.0 tpy	10.1 tpy	(23.9) tpy
VOC	5.2 tpy	1.5 tpy	(3.7) tpy

NOTE: Data assume 80,000 lb/hr of high pressure steam extracted from EHP for use at CGP1, reducing the need for separate firing at the 35R Gas Processing Facilities. Calculations are based on 8,760 hrs/yr operation. See Attachment 2.

Because the construction emissions from the Cogeneration Project within the EHP site are relatively small (two weeks of construction), we present the potential cumulative impacts from construction of both the Cogeneration Project and the OEHI steam system expansion combined, which are also insignificant. Construction of the Cogeneration Project at the EHP site would take approximately two weeks, while the expansion of the OEHI steam system needed to serve CGP1 would take approximately three months in total. The Cogeneration Project's construction emissions would therefore, be temporary in nature. Attachment 3 includes emission factor data for the on- and off-road vehicles that would be used during construction of both the Cogeneration Project and the expansion of the OEHI steam system, including construction worker commute emissions. Attachment 3 also includes total cumulative construction emissions estimates covering both the Cogeneration Project and the expansion of the OEHI steam system needed to serve CGP1.

The District has published guidance for assessing and mitigating air quality impacts. (See San Joaquin Valley Air Pollution Control District, Guide for Assessing and Mitigating Air Quality Impacts [Revised January 10, 2002].) This guidance notes that PM₁₀ is the construction-

related pollutant of greatest concern. (*Id.* at 24.) This guidance concludes that compliance with District Regulation VIII and implementation of appropriate control measures will constitute sufficient mitigation to reduce PM₁₀ impacts to a level considered less than significant. (*Id.*) In constructing the Cogeneration Project, EHP will comply with District Regulation VIII, ensuring construction impacts to air quality remain less than significant.

B. Public Health

Because the Cogeneration Project will not increase EHP's air emissions, and because EHP remains distant from any sensitive receptors, it will not have any impact to public health beyond that already analyzed in the Decision. The District's recent analysis of CGP1 similarly concluded that the construction of CGP1 would not cause any significant impacts to public health. (See San Joaquin Valley Unified Air Pollution Control District, Initial Study and Negative Declaration for New Cryogenic Natural Gas Processing Plant [December 2010] at 17.) Thus, there are also no cumulative public health impacts from the Cogeneration Project.

C. Biological Resources

As discussed above, construction of the Cogeneration Project would occur only on areas that have been previously disturbed and mitigated. Impacts to biological resources in these areas have already been fully addressed. The Cogeneration Project will not cause any additional impacts to biological resources.

Biological impacts from the EHP site and linear facilities were reviewed by the Commission, the California Department of Fish and Game, and the USFWS. The Commission concluded that the COCs "assure that the Elk Hills Power Project will cause no significant unmitigated adverse impacts to biological resources in the project area." (Decision at 178.) Compensatory mitigation has been provided for all temporarily and permanently disturbed areas. (Decision at 175-178, 183.)

USFWS also issued a Biological Opinion ("BO") addressing EHP's impacts to biological resources. (See USFWS Memorandum Regarding Formal Section 7 Consultation on the Elk Hills Power Project, Kern County, California [January 17, 2001] ["2001 BO"].) This BO considered impacts from both EHP and its linear facilities (water supply pipeline, pipeline to

injection wells, natural gas pipeline, and transmission lines). (See *Id.* at 4.) USFWS concluded EHP was not likely to jeopardize the continued existence of the covered species, and was not likely to destroy or adversely modify designated critical habitat. (*Id.* at 25.) Because construction will only occur on previously-disturbed areas under industrial use, the Cogeneration Project would not change any of these findings. We note the EHP site is not located within the boundaries of any Habitat Conservation Plans, Multiple Species Habitat Conservation Plans or National Community Conservation Plans. The site is also not located within any USFWS designated critical habitat.

The Decision notes that existing disturbance to lands as of 1995 in the Elk Hills Oil and Gas Field has already been compensated for in the sale agreement between OEHI and the United States. (Decision at 169.) As part of the sale from the United States to OEHI and pursuant to a 1995 BO covering the Elk Hills Oil and Gas Field, USFWS required OEHI to place 7,075 acres of land into permanent protection as compensation for all previous permanent surface disturbances on the Elk Hills Oil and Gas Field including the 35R Gas Processing Facilities. (See Elk Hills Final Staff Assessment at 5; see also USFWS, Letter Regarding Reinitiation of Formal Consultation Concerning Oil Production at Maximum Efficient Rate on Elk Hills Naval Petroleum Reserve, Kern County, California [November 8, 1995] [the “1995 BO”] at 4-5.) The 1995 BO also concluded that ongoing oil production operations at the Elk Hills Oil and Gas Field were “not likely to jeopardize the continued existence of [San Joaquin kit fox, blunt-nosed Leopard lizard, giant kangaroo rat, Tipton kangaroo rat, Kern mallow, San Joaquin woolly-threads and the Hoover’s woolly-star].” (1995 BO at 20.) Nonetheless, OEHI and EHP will conduct preconstruction surveys for biological resources consistent with the requirements of the 1995 BO.

Regarding potential cumulative impacts, Kern County and the District reviewed the proposed CGP1 in 2010, concluding that CGP1 would be built on areas already developed for industrial use. Therefore, the new gas plant would not cause any adverse impacts to biological resources. (See San Joaquin Valley Unified Air Pollution Control District, Initial Study and Negative Declaration for New Cryogenic Natural Gas Processing Plant [December 2010] at 18-20.)

D. Cultural Resources

Construction of the proposed modifications will not occur on any areas that have not been previously disturbed for industrial use. No cultural resources were discovered during construction at the EHP site. Therefore, the Cogeneration Project is not expected to cause any significant impacts to cultural resources.

Nonetheless, EHP and OEHI will follow standard practice and conduct preconstruction cultural resource surveys to confirm no cultural resources are present. COCs CUL-14 through CUL-18 would apply as appropriate if cultural resources are discovered, ensuring construction of the proposed modifications will not significantly affect any cultural resources.

E. Paleontological Resources

The Cogeneration Project will not disturb any areas that have not been previously disturbed. No paleontological resources were discovered during construction at the EHP site. Therefore, the Cogeneration Project is not expected to cause any significant impacts to cultural resources.

Nonetheless, COCs PAL-1 through PAL-7 would apply as appropriate if paleontological resources are discovered, ensuring construction of the proposed modifications will not significantly affect any paleontological resources.

F. Agriculture and Soils

As the Cogeneration Project would be constructed only on previously-disturbed industrial lands within the area of the 35R Gas Processing Facilities and the EHP site, there would be no new impacts to agriculture and soils. (See San Joaquin Valley Unified Air Pollution Control District, Initial Study and Negative Declaration for New Cryogenic Natural Gas Processing Plant [December 2010] at 12-13.) The site is zoned A-1 Limited Agriculture and the zoning allows as a conditional use the exploration and production of gas as well as the production of electricity (see Land Use section below). The modifications proposed by the Cogeneration Project are consistent with the current and surrounding industrial land use. Therefore, the Cogeneration Project would not cause any new significant impacts to agriculture and soils.

G. Water Resources

The Cogeneration Project would not increase EHP's water consumption. When steam is diverted to the Heat Exchanger Facilities, EHP would use slightly less water because a portion of that steam will no longer be condensed at EHP, resulting in reduced cooling tower losses. The steam diverted to the Heat Exchanger Facilities would instead be returned to EHP as condensate.

After the Cogeneration Project becomes operational, EHP is anticipated to require an estimated 2,868 acre-feet per year (afy) of water, which is below the 3,000 afy limit imposed by COC SOIL&WATER-4. Please see Attachment 2 for more detailed water balance information.

H. Waste Management

The Cogeneration Project will produce only minor amounts of construction waste during construction due to the relatively minor amount of construction required for the Cogeneration Project.

I. Hazardous Materials

The Cogeneration Project will not result in hazardous materials management impacts any different than those analyzed by the Commission during licensing of EHP.

J. Worker Safety and Fire Protection

The existing COCs would ensure that the Cogeneration Project does not cause any significant impacts with regard to worker safety and fire protection. (See Decision at 162-165.)

K. Land Use

The EHP site and surrounding oil and gas fields remains zoned A-1 (Limited Agriculture), as described in the Decision. (See Decision at 272-273.) This zone allows the following as permitted uses (among others):

- Cogeneration facility or steam generators, primarily intended for steam production, used for production of oil or gas, excluding coal fired;

- Mineral exploration; and
- Oil or gas exploration and production.

(Kern County Code § 19.14.020[E].) Natural gas-fired electrical power generating plants are permitted in this zone with a conditional use permit. (Kern County Code § 19.14.030[G].) Therefore, the Cogeneration Project would be consistent with Kern County zoning.

The District has already permitted the new gas processing facility, CGP1. A copy of the Authority to Construct and the Negative Declaration supporting this approval are attached as Attachment 1.

L. Noise

The Kern County General Plan requires proposed commercial and industrial operations to be designed so that they will not subject residential or other noise-sensitive land uses to exterior noise levels in excess of 65 decibels day-night level (dB L_{dn}) and interior noise levels in excess of 45 dB L_{dn}. (Kern County General Plan § 3.2, Implementation Measure F.)

Noise from construction of the Cogeneration Project tie ins at EHP would be temporary. Construction of the Cogeneration Project at the EHP site would take approximately two weeks, while the downstream expansion of the OEHI steam system needed to serve CGP1 and connections from the Heat Exchanger Facilities to the 35R Gas Processing Facilities would require approximately three months to complete. Given the distance to the closest sensitive noise receptor, construction noise levels are not expected to exceed Kern County's noise standards discussed above.

With regard to operations, noise levels are expected to remain unchanged. As explained in the Decision, the power plant's operational noise levels at the nearest residence are about 22 decibels. (Decision at 282.) This noise level is well below the most restrictive Kern County noise standard of 45 decibels L_{dn}, and is far less than the 34 decibels that were measured as ambient noise levels. (*Id.*) Future operational noise types and levels are expected to be similar to the existing conditions of the land use and are expected to remain well below the applicable Kern County noise standards.

M. Socioeconomics

Other than during construction, the Cogeneration Project would not change the workforce at EHP and therefore, would not affect local public services. Construction is anticipated to last approximately three months in total (including downstream connections to OEHI facilities), and would occur during a scheduled outage at EHP in October/early November 2011. Construction would require a maximum of 25-30 workers.

N. Traffic and Transportation

The Cogeneration Project would not affect EHP's impacts to traffic and transportation due to the small number of workers required to construct the Cogeneration Project. As noted above, construction of the Cogeneration Project at the EHP site would take approximately two weeks, while the expansion of the OEHI steam system needed to serve CGP1 would take approximately three months in total.

O. Visual Resources

Because all construction would occur entirely within the existing industrially developed area, the Cogeneration Project would not change the visual resources analysis.

P. Power Plant Efficiency

As noted above, the Cogeneration Project allows an overall improvement in efficiency of the combined operations by using thermal energy from EHP to replace the heating load of natural gas fired heaters at the 35R Gas Processing Facilities. The Cogeneration Project is expected to reduce overall natural gas consumption by a total of 1,243 MMBtu/yr. The Cogeneration Project is expected to also reduce overall CO₂ emissions by 65,841 MT/yr. Attachment 2 provides detailed information regarding the Cogeneration Project's energy efficiency benefits.

The Cogeneration Project also will allow EHP to operate in the same manner as Oxy currently operates all of its other electric generation facilities – that is, to also efficiently produce thermal energy to serve thermal process needs.

Q. Power Plant Reliability

The Cogeneration Project would not affect EHP's reliability. EHP would retain the ability to direct all of its steam output through the EHP steam turbine in the event it does not deliver steam to the Heat Exchanger Facilities. Therefore, impacts to power plant reliability would be less than significant. There will be a reduction in power output of approximately 10 to 25 MW during periods when EHP is supplying cogenerated steam to the Heat Exchanger Facilities.

R. Transmission System Engineering

The Cogeneration Project would not affect transmission resources. During periods when steam is diverted away from EHP to the Heat Exchanger Facilities, the Cogeneration Project would result in a net decrease in EHP's electric output of approximately 10-25 MWs. The transmission system would remain designed for the full output of EHP. Because EHP is not in a local reliability area, a reduction in generation of 10-25 MWs at this location is not critical to operation of the local CAISO controlled grid. Generation resources in other locations will be able to compensate for the modest decrease in output resulting from diverting steam away from the EHP steam turbine to provide thermal energy to the 35R Gas Processing Facilities.

VII. THE COGENERATION PROJECT DOES NOT IMPACT ELK HILLS' ABILITY TO COMPLY WITH LORS

The Cogeneration Project will not affect EHP's ability to comply with applicable LORS. As discussed above, the Cogeneration Project would not change any aspect of EHP's environmental impacts, other than a slight decrease in load on the cooling tower. The Cogeneration Project would cause a slight decrease in EHP's electric generation capacity during periods when cogenerated steam is delivered to the Heat Exchanger Facilities, which will be used to transfer useful thermal energy to the 35R Gas Processing Facilities steam system.

The modifications contemplated by the Cogeneration Project would be constructed in compliance with applicable current building codes. EHP will also comply with applicable worker safety requirements during construction of the Cogeneration Project.

VIII. THE COGENERATION PROJECT WILL NOT IMPACT THE PUBLIC

The Health Risk Assessment done to support the Decision on EHP and the analysis conducted for the 2010 approval of CGP1, demonstrate that EHP's emissions have no potential to significantly impact the public. The minor equipment and process changes proposed by the Cogeneration Project will not affect EHP's environmental impacts or change this finding. EHP remains isolated from any nearby residents, with the nearest residence over five miles to the southeast. Therefore, the Cogeneration Project will not significantly impact the public.

IX. THE COGENERATION PROJECT WILL NOT IMPACT NEARBY PROPERTY OWNERS

As discussed in Section VI the Cogeneration Project will not have a significant environmental impact nor will it increase EHP's air quality or public health impacts. Therefore, the proposed modifications will not affect nearby property owners or the public. The nearest residence is located in Dustin Acres, over five miles southeast of EHP. The only property owner located within 1,000 feet of the EHP property line is provided in Table 8-1 below.

**Table 8-1
List of Property Owners**

APN	Owner	Address
158-010-09	Occidental of Elk Hills, Inc.	10800 Stockdale Highway, Bakersfield, CA 93311

X. EHP REQUESTS COMMISSION STAFF APPROVE THE COGENERATION PROJECT

The Cogeneration Project will not result in any additional adverse environmental impacts from EHP. The Cogeneration Project will not require the addition or modification of any COCs. Furthermore, EHP will remain in compliance with applicable LORS.

The Cogeneration Project will supply thermal energy to the existing OEHI steam network, improve the overall efficiency of the gas processing facilities and avoid the need to use separate fired heaters at the 35R Gas Processing Facilities. The Cogeneration Project will also reduce overall natural gas consumption and CO₂ emissions.

EHP thanks the Commission Staff in advance for its analysis of this request.

Respectfully submitted,

DATED: July 1, 2011

Jane E. Luckhardt
Jane E. Luckhardt
Attorney for Elk Hills Power, LLC

FIGURE 1

Aerial Photo Showing Elk Hills Power Plant in the 74-Square Mile Area

FIGURE 2

Aerial Photo Showing the Cogeneration Project and Existing Equipment on 35R

FIGURE 3
Cogeneration Project Process Flow Diagrams

ATTACHMENT 1

Authority to Construct and Final Negative Declaration for Cryogenic Natural Gas Processing Plant (December 2010)

ATTACHMENT 2

Steam Export Fuel, Emissions and Water Balance Data

ATTACHMENT 3
Cumulative Construction Emissions Data

ELK HILLS POWER COGENERATION PROJECT

- REGIONAL SETTING



8728 ft

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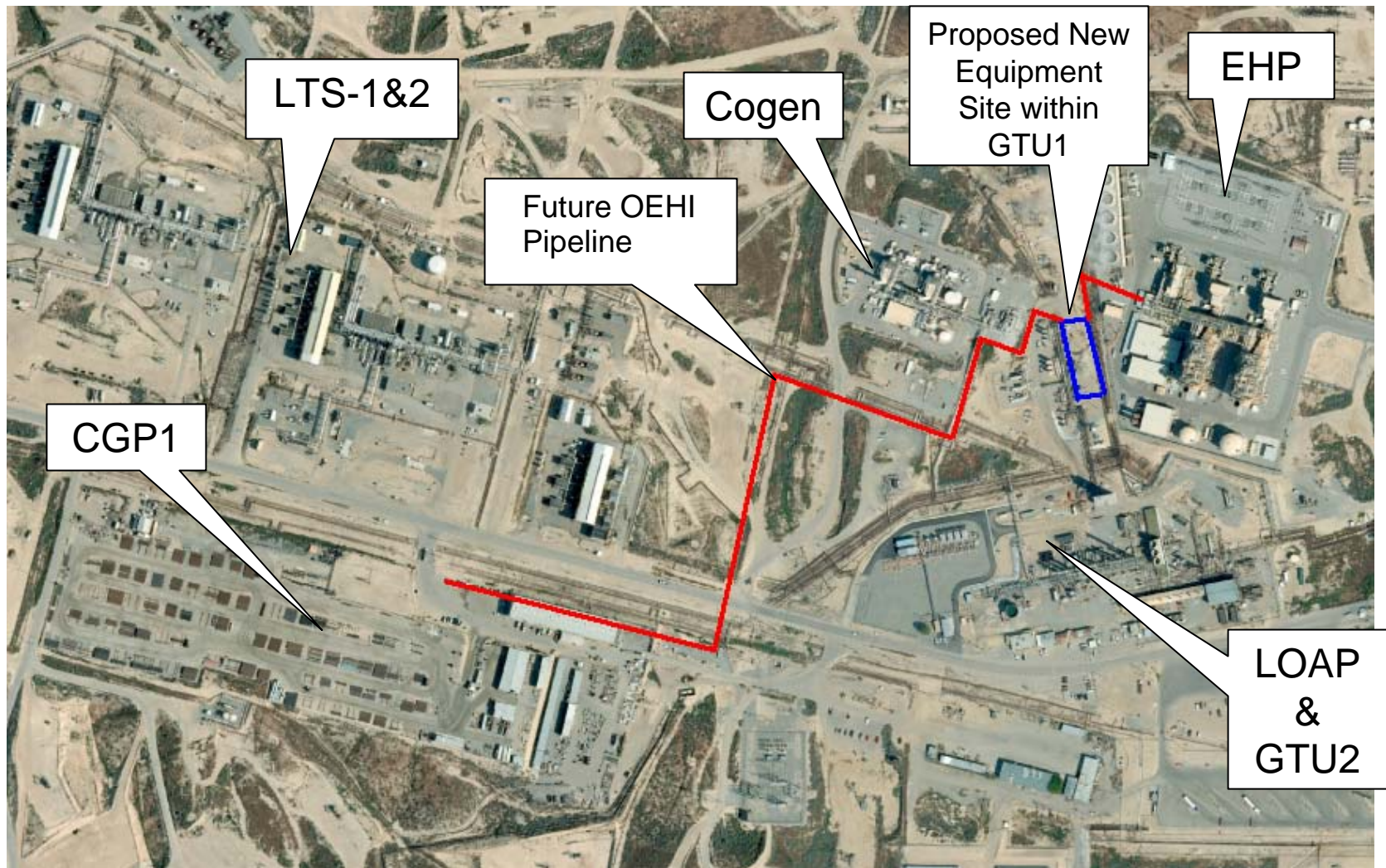
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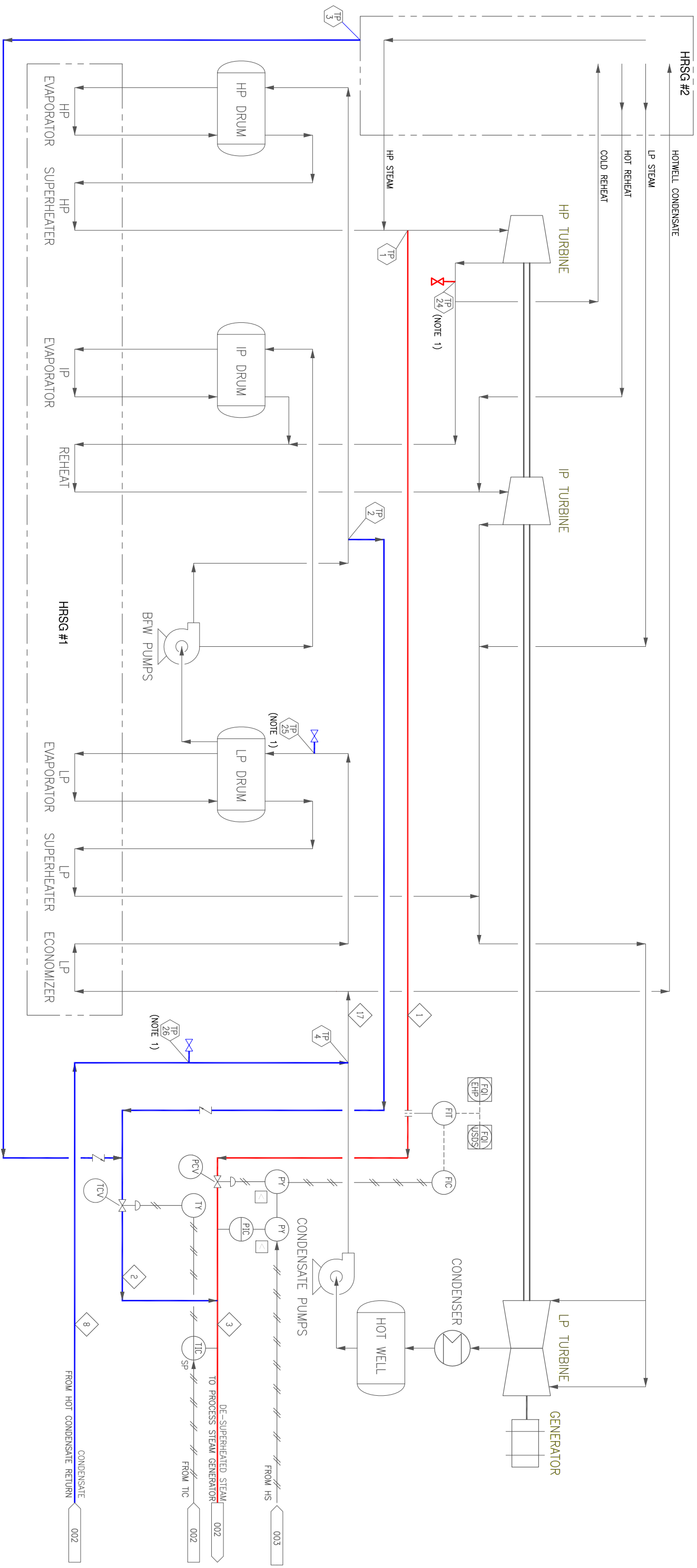
35°17'35.66" N 119°31'36.77" W elev 1400 ft

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Eye alt 31194 ft

Project Aerial View





#	1			2		3			8	17
PRESSURE PSIA	1050 TO 1950			2100		720			700	320
TEMPERATURE °F	1050			303		710			336	110 TO 140
FLOW lb./hr	34,362	68,724	103,086	5,638	11,276	16,914	40,000	80,000	120,000	VARIES
ENTHALPY BTU/lb.	1527			276.6		1,350			307	-
SPECIFIC VOLUME FT³/lb.	0.78			0.017		0.89			0.0177	-

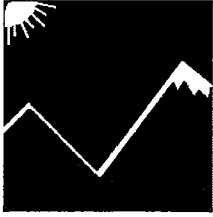
DESIGN IN PROGRESS

JUNE 14, 2011

NOTES:

1. FUTURE TIE-INS FOR PROCESS OPTIMIZATION AT HRSG#1, TP-24, TP-25, TP-26
FUTURE TIE-INS WILL BE THE SAME FOR HRSG#2 (NOT SHOWN).

[illegible]



**San Joaquin Valley Unified
Air Pollution Control District**

**NEW CRYOGENIC NATURAL GAS
PROCESSING PLANT**

Project Number S-1103628

**City of Elk Hills
Kern County**

**Initial Study and
Negative Declaration**

December 2010

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Supervisor, Kings County

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AIR POLLUTION CONTROL OFFICER

SEYED SADREDIN

INITIAL STUDY AND NEGATIVE DECLARATION

New Cryogenic Natural Gas Processing Plant for Occidental of Elk Hills, Inc.

December 2010

Lead Agency: San Joaquin Valley Air Pollution Control District
1990 East Gettysburg Avenue
Fresno CA 93726-0244

Agency CEQA Contact: Patia Siong, Senior Air Quality Specialist
Phone: (559) 230-6000
Fax: (559) 230-6061

Agency Permits Contact: Richard Edgehill, Air Quality Engineer
Phone: (661) 392-5617
Fax: (661) 392-5585

Project Sponsor
and Location: Occidental of Elk Hills, Inc
10800 Stockdale Highway
Bakersfield, CA 93311

Project Contact(s): Dennis Champion, Occidental of Elk Hills, Inc.
Phone: (661) 412-5214
Fax: (661) 412-5270

Mike Kelly, Vector Environmental, Inc.
Phone: (661) 323-1477 ext 205
Fax: (661) 323-1459



A. INTRODUCTION

The San Joaquin Valley Unified Air Pollution Control District (District) has received an Authority to Construct (ATC) application from Occidental of Elk Hills Inc. (Occidental). Occidental is proposing to construct and operate a new cryogenic natural gas processing plant to be located at the existing Occidental gas plant, (Stationary Source S-2234). The new plant will be designed to process approximately 200 MMscfd of natural gas from crude oil and natural gas production operations. Cryogenic processes involving compression and refrigeration are designed to separate ethane, propane, butane and natural gasoline from the produced gas stream. The remaining residue gas, containing primarily methane will be used as fuel or sold to offsite users.

The facility will be constructed on an existing and fully disturbed industrial site currently occupied by a warehouse and pipe storage yard and will encompass an estimated 16.71 acres. Construction is expected to occur for an approximately 14 months. The project site is currently designated in the Kern County 2004 General Plan as Limited Agriculture and is currently zoned as Limited Agriculture (A-1). Pursuant to Section 19.14.020(E) of the Zoning Ordinance of Kern County; gas exploration and production are a permitted use in Zone A-1. The core property in which the proposed gas plant will be located is zoned Limited Agriculture (A-1), which is consistent with the surrounding land use.

The District has conducted an Initial Study and determined that the proposed project would have a less than significant environmental effect as all work will be conducted in adherence to the 1995 Biological Opinion and Memorandum of Understanding (MOU) with the California Department of Fish & Game. These documents outline all necessary requirements for protecting listed species and their habitat. In addition, a qualified biologist conducted a preliminary site assessment of the proposed area and deemed the area not habitable for any listed species due to years of gravel layers being applied for dust control. Occidental will notify the Department of Fish and Game and the US Fish and Wildlife Service in the event a State or Federally listed species is encountered within the building envelope during active construction of the gas plant. Consistent with CEQA Guidelines §15064(f)(3), the District has prepared a Draft Negative Declaration for public review and comment.

B. PURPOSE AND AUTHORITY

The District has discretionary approval power over the project via its Permits Required Rule (Rule 2010) and New and Modified Stationary Source Review Rule (Rule 2201). No other Agency is known to have discretionary approval over the Project. As such, the District is the public agency having principal responsibility for approving the Project and serves as Lead Agency; California Environmental Quality Act (CEQA) Guidelines 15367.



CEQA requires each public agency to adopt objectives, criteria, and specific procedures consistent with CEQA Statutes and the CEQA Guidelines for administering its responsibilities under CEQA, including the orderly evaluation of projects and preparation of environmental documents. The District adopted its *Environmental Review Guidelines* (ERG) in 2001. The ERG was prepared to comply with this requirement and is an internal document used to comply with CEQA.

The basic purposes of CEQA are to:

- Inform governmental decision-makers and the public about the potential, significant environmental effects of proposed activities.
- Identify the ways that environmental damage can be avoided or significantly reduced.
- Prevent significant, avoidable damage to the environment by requiring changes in projects through use of alternatives or mitigation measures when the governmental agency finds the changes to be feasible.
- Disclose to the public the reasons why a governmental agency approved the project in the manner the agency chose if significant environmental effects are involved.

Under CEQA the Lead Agency is required to:

- Conduct preliminary reviews to determine if applications are subject to CEQA [CCR §15060].
- Conduct review to determine if projects are exempt from CEQA [CCR §15061].
- Prepare Initial Studies for projects that may have adverse environmental impacts [CCR §15063].
- Determine the significance of the environmental effects caused by the project [CCR §15064].
- Prepare Negative Declarations or Mitigated Negative Declarations for projects with no significant environmental impacts [CCR §15070].
- Prepare, or contract to prepare, EIRs for projects with significant environmental impacts [CCR §15081].
- Adopt reporting or monitoring programs for the changes made to projects or conditions of project approval, adopted in order to mitigate or avoid significant effects on the environment [PRC §21081.6 & CCR §15097].
- Comply with CEQA noticing and filing requirements.



C. PROJECT BACKGROUND INFORMATION

Project Description

Occidental is proposing to construct and operate a new cryogenic natural gas processing plant to be located at the existing Occidental gas plant, (Stationary Source S-2234). The new plant, which was previously discussed in the 1995 Biological Opinion conducted at Elk Hills, will be designed to process approximately 200 MMscfd of natural gas from crude oil and natural gas production operations. Cryogenic processes involving compression and refrigeration are designed to separate ethane, propane, butane and natural gasoline from the produced gas stream. The remaining residue gas, containing primarily methane will be used as fuel or sold to offsite users. The facility will be constructed on an existing and fully disturbed industrial site currently occupied by a warehouse and pipe storage yard and will encompass an estimated 16.71 acres. Construction is expected to occur for an approximately 14 months. All work will be conducted in adherence to the 1995 Biological Opinion and Memorandum of Understanding (MOU) with the California Department of Fish & Game. These documents outline all necessary requirements for protecting listed species and their habitat.

Project Location

The project is located in Kern County, California, which is the San Joaquin Valley Air Basin (SJVAB) (see Figure 1). The Cryogenic Gas Plant will be located in the existing gas plant source stationary source at the NW ¼ of Section 35, T30S/R23E. The plant will occupy approximately 16.71 acres.

The location of the gas plant and the boundaries of the "core property" included in the gas plant stationary source are shown below in Figure 1. The Elk Hills oil field comprises a contiguous area having a size of about 75 square miles. The location of the Plant within the NW ¼ of Section 35R is shown in Figure 2.

General Plan Designation and Zoning

The project site is currently designated in the Kern County 2004 General Plan as Limited Agriculture and is currently zoned as Limited Agriculture (A-1). Pursuant to Section 19.14.020(E) of the Zoning Ordinance of Kern County; gas exploration and production are a permitted use in Zone A-1.

Surrounding Land Uses and Setting

The 35R Cryogenic Gas Plant (or Cryo-Plant) will be located in the Occidental of Elk Hills Inc. gas plant source at the NW ¼ of Section 35, T30S/R23E. The core property in



which the proposed gas plant will be located is zoned Limited Agriculture (A-1), which is consistent with the surrounding land use.

The District has verified that the project is not within 1,000 feet of the outer boundary of any schools. Therefore, the public notification requirement of California Health and Safety Code 42301.6 is not applicable to the project.

Other Public Agencies Whose Approval Is Required

Kern County Planning Department

Grading permits and other applicable building permits from the Kern County Planning and Building Department will be acquired prior commencement of site work.

California Regional Water Quality Control Board (RWQCB)

This project will result in no waste or water discharge; hence no approvals from the California Regional Water Quality Control Board (RWQCB) will be required.

California Department of Transportation (Caltrans)

No encroachment permits are required from the California Department of Transportation (Caltrans).

California Department of Fish and Game (DFG)

No streambed or lake alterations will occur as a result of this project.

D. DECISION TO PREPARE A NEGATIVE DECLARATION

The District has considered the environmental effects of the project and has determined that the project will have a less than significant impact on the environment. Project design elements and conditions of project approval that reduce project related impacts on the environment would be enforced through District permit conditions and surrendering emission reduction credits.

Consistent with CEQA requirements, the District has prepared an Initial Study and determined that a Negative Declaration would be appropriate for the project.



Figure 1

Regional Location within the SJVAB

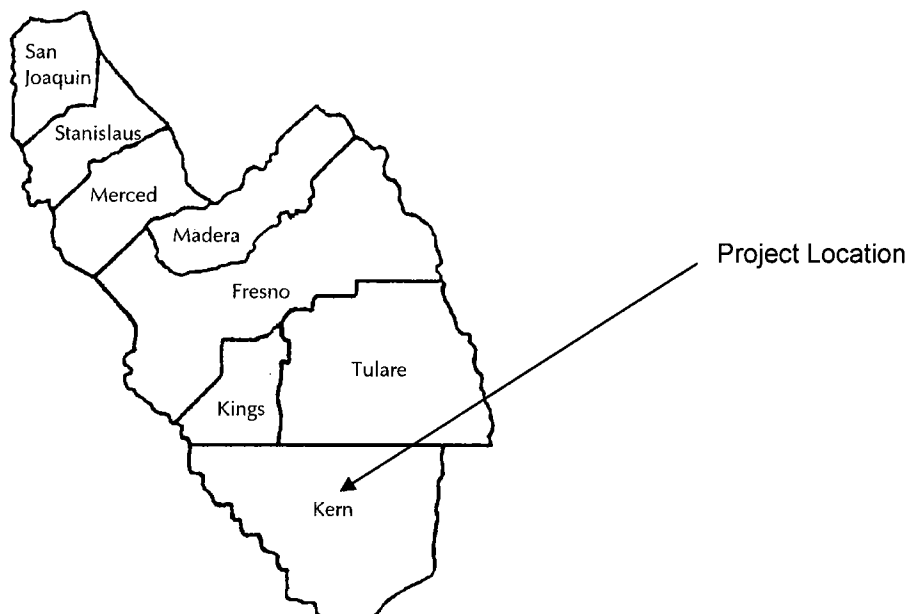


Figure 2

Project Site and Vicinity Map (General location of the new plant)

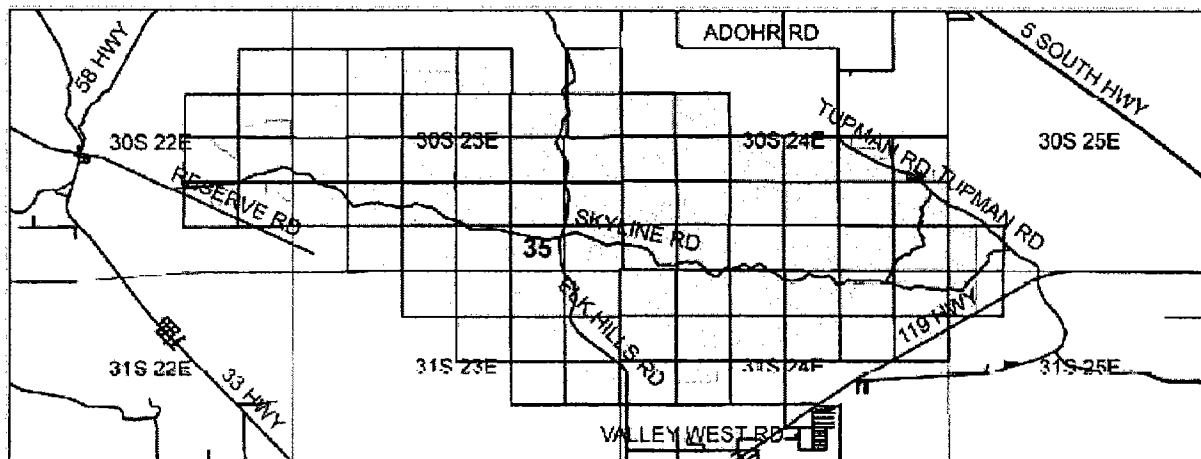
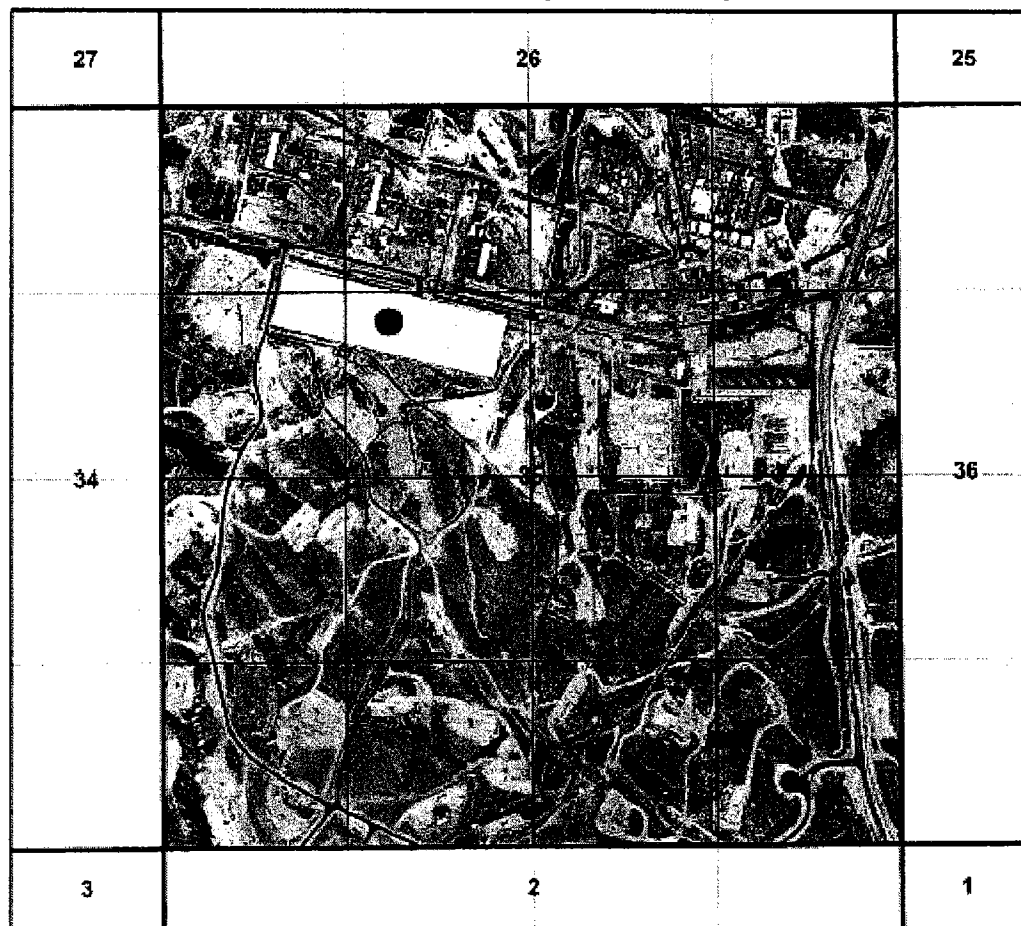




Figure 3

Project Site Map



E. ENVIRONMENTAL FACTORS POTENTIALLY AFFECTED

The environmental factors checked below would be potentially affected by the proposed Project, involving at least one impact that is a "Potentially Significant Impact" or "Potentially Significant Unless Mitigated", as indicated by the checklist on the following pages.



- | | | |
|--|---|---|
| <input type="checkbox"/> Aesthetics | <input type="checkbox"/> Agriculture Resources | <input type="checkbox"/> Air Quality |
| <input type="checkbox"/> Biological Resources | <input type="checkbox"/> Cultural Resources | <input type="checkbox"/> Geology/Soils |
| <input type="checkbox"/> Hazards & Hazardous Materials | <input type="checkbox"/> Hydrology/Water Quality | <input type="checkbox"/> Land Use/Planning |
| <input type="checkbox"/> Mineral Resources | <input type="checkbox"/> Noise | <input type="checkbox"/> Population/Housing |
| <input type="checkbox"/> Public Services | <input type="checkbox"/> Recreation | <input type="checkbox"/> Transportation/Traffic |
| <input type="checkbox"/> Utilities/Service Systems | <input type="checkbox"/> Mandatory Findings of Significance | |

F. DETERMINATION

I certify that the project was independently reviewed and analyzed and that this document reflects the independent judgment of the District.

- ☒ I find that the proposed project COULD NOT have a significant effect on the environment, and a NEGATIVE DECLARATION will be prepared.
- ☐ I find that although the proposed project could have a significant effect on the environment, there will not be a significant effect in this case because the mitigation measures described on an attached sheet have been added to the project. A MITIGATED NEGATIVE DECLARATION has been prepared.
- ☐ I find that the proposed project MAY have a significant effect on the environment, and an ENVIRONMENTAL IMPACT REPORT is required.
- ☐ I find that the proposed project MAY have a significant effect(s) on the environment, but at least one effect 1) has been adequately analyzed in an earlier document pursuant to applicable legal standards, and 2) has been addressed by mitigation measures based on the earlier analysis as described on attached sheets, if the effect is a "potentially significant impact" or "potentially significant unless mitigated." An ENVIRONMENTAL IMPACT REPORT is required, but it must analyze only the effects that remain to be addressed.

Signature: _____

Date: DEC 01 2010

Printed name: David Warner, Director of Permit Services



G. ENVIRONMENTAL IMPACT CHECKLIST

I. AESTHETICS	Potentially Significant Impact	Potentially Significant Impact Unless Mitigated	Less Than Significant Impact	No Impact
<u>Would the Project</u>				
a) Have a substantial adverse effect on a scenic vista?				X
b) Substantially damage scenic resources, including, but not limited to, trees, rock outcropping, and historic buildings within a state scenic highway?				X
c) Substantially degrade the existing visual character or quality of the site and its surrounding?			X	
d) Create a new source of substantial light or glare which would adversely affect day or nighttime views in the area			X	

a) Have a substantial adverse effect on a scenic vista?

No Impact. The project will be located on property currently occupied by a warehouse and pipe storage area. This location is within the existing boundaries of the Occidental oil field as shown in Figure 1 and is consistent with the current and surrounding land use. Furthermore, the project site is already developed, is not within a scenic vista, and is not visible from a scenic highway. Thus, no impacts in this regard would occur.

b) Substantially damage scenic resources, including, but not limited to, trees, rock outcroppings, and historic buildings within a state scenic highway?

No Impact. The project will be located on property currently occupied by a warehouse and pipe storage area. This location is within the existing boundaries of the Occidental oil field as shown in Figure 1 and is consistent with the current and surrounding land use. Furthermore, the project site is already developed for industrial use and thus contains no scenic resources such as rock outcroppings, trees, or historic buildings. Thus, no impacts in this regard would occur.

c) Substantially degrade the existing visual character or quality of the site and its surrounding?

Less than Significant Impact. The project will be located on property currently occupied by a warehouse and pipe storage area. This location is within the existing boundaries of the Occidental oil field as shown in Figure 1 and is consistent with the



current and surrounding land use. Furthermore, the project site is already developed for industrial use. Thus, impacts are expected to be less than significant.

d) Create a new source of substantial light or glare which would adversely affect day or nighttime views in the area?

Less than Significant Impact. The project will be located on property currently occupied by a warehouse and pipe storage area. This location is within the existing boundaries of the Occidental oil field as shown in Figure 1 and is consistent with the current and surrounding land use. Furthermore, the project site is already developed for industrial use and there are light sources for the existing warehouse and the pipe storage area. The new gas plant would possibly involve some additional light from exterior sources (i.e., street lighting, building illumination, security lighting, and landscape lighting). However, the project will be located at an existing industrial site in the middle of the Elk Hills Oilfield. The nearest residential center is located in Dustin Acres, 6.38 miles southeast of this project. Thus, impacts from light and glare are expected to be less than significant.



II. AGRICULTURAL RESOURCES In determining whether impacts to agricultural resources are significant environmental effects, lead agencies may refer to the California Agricultural Land Evaluation and Site Assessment Model (1997) prepared by the California Dept. of Conservation as an optional model to use in assessing impacts on agriculture and farmland. In determining whether impacts to forest resources, including timberland, are significant environmental effects, lead agencies may refer to information compiled by the California Department of Forestry and Fire Protection regarding the state's inventory of forest land, including the Forest and Range Assessment Project and the Forest Legacy Assessment project; and forest carbon measures methodology provided in the Forest Protocols adopted by the California Air Resources Board. Would the Project	Potentially Significant Impact	Potentially Significant Impact Unless Mitigated	Less Than Significant Impact	No Impact
a) Convert Prime Farmland, Unique Farmland, or Farmland of Statewide Importance (Farmland), as shown on the maps prepared pursuant to the Farmland Mapping and Monitoring Program of the California Resources Agency, to non-agricultural use?				X
b) Conflict with existing zoning for agricultural use, or a Williamson Act contract?				X
c) Conflict with existing zoning for, or cause rezoning of, forest land (as defined in Public Resources Code section 12220(g)), timberland (as defined by Public Resources Code section 4526), or timberland zoned Timberland Production (as defined by Government Code section 51104(g))?				X
d) Result in the loss of forest land or conversion of forest land to non-forest use?				X
e) Involve other changes in the existing environment which, due to their location or nature, could result in conversion of Farmland, to non-agricultural use or conversion of forest land to non-forest use?				X

a) Convert Prime Farmland, Unique Farmland, or Farmland of Statewide Importance (Farmland), as shown on the maps prepared pursuant to the Farmland Mapping and Monitoring Program of the California Resources Agency, to non-agricultural use?

No Impact. The land is zoned limited agricultural and Kern County Zoning Ordinance allows for the exploration and production of gas. This project will occur



within the existing oil field boundaries of the Occidental of Elk Hills, Inc. and is an allowed use. Thus, this project will not result in farmland related impacts.

b) Conflict with existing zoning for agricultural use, or a Williamson Act contract?

No Impact. This project is consistent with the current use of the land. The site is zoned A-1 Limited Agriculture and the zoning allows for the exploration and production of gas. Thus, this project will not result in farmland related impacts.

c-e) Conflict with existing zoning for, or cause rezoning of, forest land (as defined in Public Resources Code section 12220(g)), timberland (as defined by Public Resources Code section 4526), or timberland zoned Timberland Production (as defined by Government Code section 51104(g))? Result in the loss of forest land or conversion of forest land to non-forest use? Involve other changes in the existing environment which, due to their location or nature, could result in conversion of Farmland, to non-agricultural use or conversion of forest land to non-forest use?

No Impact. The project will be located on property currently occupied by a warehouse and pipe storage area. This location is within the existing boundaries of the Occidental oil field as shown in Figure 1 and is consistent with the current and surrounding land use. The site is zoned A-1 Limited Agriculture and the zoning allows for the exploration and production of gas. Thus, no impacts in these regards would occur.



III. AIR QUALITY Where available, the significance criteria established by the applicable air quality management or air pollution control district may be relied upon to make the following determinations. Would the Project				
	Potentially Significant Impact	Potentially Significant Impact Unless Mitigated	Less Than Significant Impact	No Impact
a) Conflict with or obstruct implementation of the applicable air quality plan?			X	
b) Violate any air quality standard or contribute substantially to an existing or Projected air quality violation?			X	
c) Result in a cumulatively considerable net increase of any criteria pollutant for which the Project region is non-attainment under an applicable federal or state ambient air quality standard (including releasing emissions which exceed quantitative thresholds for ozone precursors)?			X	
d) Expose sensitive receptors to substantial pollutant concentrations?			X	
e) Create objectionable odors affecting a substantial number of people?				X

Project Details

Occidental is proposing to construct and operate a new cryogenic natural gas processing plant to be located at the existing Occidental gas plant, (Stationary Source S-2234). The new plant will be designed to process approximately 200 MMscfd of natural gas from crude oil and natural gas production operations. The facility will be constructed on an existing industrial site, currently occupied by a warehouse and pipe storage yard and will encompass an estimated 16.71 acres. Construction is expected to occur for an approximately 14 months. The District has conducted an engineering evaluation, and a project emissions analysis using URBEMIS 2007 version 9.2.4., both incorporated herein by reference. As presented below, the analysis demonstrates that construction and operational emissions will be below the District's thresholds of significance for criteria pollutants. The District concludes that as a result of project design elements, District permit requirements and surrendering emission reduction credits, project related impacts on air quality will be reduced to less than significant.

Construction Impacts:

Construction related emissions occur during site preparation and construction of processing equipment necessary to implement and operate a cryogenic natural gas processing plant. The industrial facility is estimated to encompass 16.71 acre and construction is expected to occur for approximately 14 months. Only Fine grading would be necessary because the project will be located on a site previously occupied by



an existing warehouse and pipe storage site. Stored pipes would be moved to another storage area. The warehouse will temporarily serve as a construction headquarters and will be demolished in the third or fourth quarter of 2011.

It is estimated that construction would start in the fourth quarter of 2010 with operation starting in the first quarter of 2012. The types of equipment and operating hours were estimated for the construction and demolition activities. Both fugitive dust and construction exhaust impacts were considered. As presented in Table 1, construction impacts would be less than significant.

Operational Impacts:

Employees at the existing Occidental of Elk Hills, Inc. gas plant will be reassigned to man this project as needed. It is projected that the project would require six employees (two employees per shift per day for around the clock coverage). The finished products will be delivered via pipes to existing product pipelines for custody transfer. Therefore, operation of the project is not expected to increase in existing mobile source emissions.

The District has established Thresholds of Significance for determining whether project emissions would have a significant adverse impact on air quality. The District has established a 10-ton per year Threshold of Significance for ROG, which includes emissions of VOC, a 10-ton per year Threshold of Significance for NOx, and a 15-ton per year Threshold of Significance for PM₁₀. The District's engineering evaluation, as summarized in Table 1, demonstrates that criteria pollutant emissions associated with the project fall below the District's Thresholds of Significance and thus, will not have a significant impact on air quality.

Table 1. Estimated Project Emissions

Project Emissions	ROG (tons/year)	NOx (tons/year)	PM ₁₀ * (tons/year)
Construction Year 2010	0.19	1.70	2.14
Construction Year 2011	1.01	8.45	1.64
Area and Operational	0.90	0.05	0.02
Stationary Sources	7.63	6.22	7.53
Significance Threshold	10.00	10.00	15.00
<i>Exceeds Threshold?</i>	No	No	No
<i>Offset Requirements</i>	10.33	9.32	9.79

* Total PM₁₀



a) *Conflict with or obstruct implementation of the applicable air quality plan?*

Less than Significant Impact. The District's permitting program for stationary sources requires the installation of Best Available Control Technology (BACT) to minimize emissions at the project site. For this project, BACT will be implemented and the facility is required to provide emission offsets for emissions in excess of the threshold. Occidental (Stationary Source S-2234) is an existing Major Source, and as such is required to fully offset emissions in excess of the Major Source thresholds. A Major source is a stationary source with post-project emissions that are equal to or exceed the thresholds per Rule 2201 (New and Modified Stationary Source Review). As summarized in Table 1, project related emissions of criteria pollutants would be below the District thresholds of significance and stationary source emissions would be fully offset through surrendering emission reduction credits. Therefore, through a combination of project design elements, permit conditions, and surrendering emission reduction credits, impacts on air quality would be less than significant.

b) *Violate any air quality standard or contribute substantially to an existing or projected air quality violation?*

Less than Significant Impact. The project has the potential to contribute to the possible violation of an existing air quality standard or an existing or projected air quality violation. However, as discussed above, the project emissions are below District's thresholds of significance. The installation of this natural gas processing plant requires the issuance of an Authority to Construct (ATC) and Permit to Operate in compliance with Rule 2201. BACT will be used on the project's equipment and the facility is required to provide emission offsets for emissions in excess of the threshold. Therefore, through a combination of project design elements, permit conditions, and surrendering emission reduction credits, impacts on air quality would be less than significant.

c) *Result in a cumulatively considerable net increase of any criteria pollutant for which the project region is non-attainment under an applicable federal or state ambient air quality standard (including releasing emissions which exceed quantitative thresholds for ozone precursors)?*

Less than Significant Impact. As discussed above, the project emissions are below District's thresholds of significance. The installation of this natural gas processing plant requires the issuance of an Authority to Construct (ATC) and Permit to Operate in compliance with Rule 2201. BACT will be used on the project's equipment and the facility is required to provide emission offsets for emissions in excess of the threshold. Therefore, through a combination of project design elements, permit conditions, and surrendering emission reduction credits, impacts on air quality would be less than significant.



The SJVAPCD thresholds are the same for the consideration of both project specific impacts and cumulatively considerable impacts. According to the Guide for Assessing and Mitigating Air Quality (GAMAQI), any project that would individually have a significant air impact would also be considered to have a significant cumulative air quality impact. The analyses demonstrate that project specific emissions are below the District thresholds of significance at a project specific level. Therefore, the project would have a less than cumulatively significant impact.

d) Expose sensitive receptors to substantial pollutant concentrations?

Less than Significant Impact. The District performed a Risk Management Review (RMR) analysis to determine possible health impacts from the project's permitted stationary source emissions on the nearest sensitive receptors. The closest residential receptor is located in Dustin Acres, 6.38 miles southeast of this project. Results of an RMR are given as prioritization scores. If a prioritization score is less than 1.0 a Health Risk Assessment (HRA) is not required for the project. As demonstrated in the engineering evaluation incorporated herein, the prioritization score for this project is less than 1.0. Therefore, an HRA was not required and health impacts are expected to be less than significant.

e) Create objectionable odors affecting a substantial number of people?

No Impact. The air contaminants which may be emitted at the project have no known objectionable odors associated with stationary source operations. Diesel exhaust from construction activities may generate odors. However, they would be temporary in nature and would unlikely affect a substantial number of people. The closest residential center is located in Dustin Acres, 6.38 miles southeast of this project. The District concludes that there is no substantial evidence of record to support a conclusion that the project would create objectionable odors affecting a substantial number of people.



IV. BIOLOGICAL RESOURCES				
Would the Project:	Potentially Significant Impact	Potentially Significant Impact Unless Mitigated	Less Than Significant Impact	No Impact
a) Have a substantial adverse effect, either directly or through habitat modifications, on any species identified as a candidate, sensitive, or special status species in local or regional plans, policies, or regulations, or by the California Department of Fish and Game or U.S. Fish and Wildlife Service?				X
b) Have a substantial adverse effect on any riparian habitat or other sensitive natural community identified in local or regional plans, policies, and regulations, or by the California Department of Fish and Game or US Fish and Wildlife Service?				X
c) Have a substantial adverse effect on federally protected wetlands as defined by Section 404 of the Clean Water Act (including, but not limited to, marsh, vernal pool, coastal, etc.) through direct removal, filling, hydrological interruption, or other means?				X
d) Interfere substantially with the movement of any native resident or migratory fish or wildlife species or with established native resident or migratory wildlife corridors, or impede the use of native wildlife nursery sites?				X
e) Conflict with any local policies or ordinances protecting biological resources, such as a tree preservation policy or ordinance?				X
f) Conflict with the provisions of an adopted Habitat Conservation Plan, Natural Community Conservation Plan, or other approved local, regional, or state habitat conservation plan?				X

a) Have a substantial adverse effect, either directly or through habitat modifications, on any species identified as a candidate, sensitive, or special status species in local or regional plans, policies, or regulations, or by the California Department of Fish and Game or U.S. Fish and Wildlife Service?

No Impact. The project will be located on property currently occupied by a warehouse and pipe storage area. The project site is in an area that has historically been used for oil production (within the Occidental of Elk oil field) and is already developed for industrial use. The District concludes that there is no substantial evidence of record to support a conclusion that construction and operation of the project would disturb any endangered species habitat.



- b) Have a substantial adverse effect on any riparian habitat or other sensitive natural community identified in local or regional plans, policies, regulations or by the California Department of Fish and Game or US Fish and Wildlife Service?***

No Impact. The project will be located on property currently occupied by a warehouse and pipe storage area. The project site is in an area that has historically been used for oil production (within the Occidental of Elk oil field) and is already developed for industrial use. The District concludes that there is no substantial evidence of record to support a conclusion that construction and operation of the project would impact riparian habitat or other sensitive natural communities in the project area.

- c) Have a substantial adverse effect on federally protected wetlands as defined by Section 404 of the Clean Water Act (including, but not limited to, marsh, vernal pool, coastal, etc.) through direct removal, filling, hydrological interruption, or other means?***

No Impact. The project will be located on property currently occupied by a warehouse and pipe storage area. The project site is in an area that has historically been used for oil production (within the Occidental of Elk oil field) and is already developed for industrial use. The District concludes that there is no substantial evidence of record to support a conclusion that construction and operation of the project would impact federally protected wetlands.

- d) Interfere substantially with the movement of any native resident or migratory fish or wildlife species or with established native resident or migratory wildlife corridors, or impede the use of native wildlife nursery sites?***

No Impact. The project will be located on property currently occupied by a warehouse and pipe storage area. The project site is in an area that has historically been used for oil production (within the Occidental of Elk oil field) and is already developed for industrial use. The District concludes that there is no substantial evidence of record to support a conclusion that construction and operation of the project would impact movement of any native resident or migratory fish or wildlife species, corridors, or nursery sites.

- e) Conflict with any local applicable policies or ordinances protecting biological resources, such as a tree preservation policy or ordinance?***

No Impact. The project will be located on property currently occupied by a warehouse and pipe storage area. The project site is in an area that has historically been used for oil production (within the Occidental of Elk oil field) and is already



developed for industrial use. The District concludes that there is no substantial evidence of record to support a conclusion that construction and operation of the project would conflict with any local policies or ordinances protecting biological resources.

f) Conflict with the provisions of an adopted Habitat Conservation Plan, Natural Community Conservation Plan, or other approved local, regional, or state habitat conservation plan?

No Impact. The project will be located on property currently occupied by a warehouse and pipe storage area. The project site is in an area that has historically been used for oil production (within the Occidental of Elk oil field) and is already developed for industrial use. The project site is not located within the boundaries of any Habitat Conservation Plans (HCP), Multiple Species Habitat Conservation Plans (MSHCP) or National Community Conservation Plans (NCCPS). The site is not located within any United States Fish and Wildlife Service (USFWS) designated critical habitat. No impacts in this regard would occur.

V. CULTURAL RESOURCES				
Would the Project:	Potentially Significant Impact	Potentially Significant Impact Unless Mitigated	Less Than Significant Impact	No Impact
a) Cause a substantial adverse change in the significance of a historical resource as defined in '15064.5?				X
b) Cause a substantial adverse change in the significance of an archaeological resource pursuant to '15064.5?				X
c) Directly or indirectly destroy a unique paleontological resource or site or unique geologic feature?				X
d) Disturb any human remains, including those interred outside of formal cemeteries?				X

a) Cause a substantial adverse change in the significance of a historical resource as defined in §15064.5?

No Impact. The project will be located on property currently occupied by a warehouse and pipe storage area. The project site is in an area that has historically been used for oil production (within the Occidental of Elk oil field) and is already developed for industrial use. The District concludes that there is no substantial evidence of record to support a conclusion that construction and operation of the project would impact any historical resource.



b) Cause a substantial adverse change in the significance of an archaeological resource pursuant to §15064.5?

No Impact. The project will be located on property currently occupied by a warehouse and pipe storage area. The project site is in an area that has historically been used for oil production (within the Occidental of Elk oil field) and is already developed for industrial use. The District concludes that there is no substantial evidence of record to support a conclusion that construction and operation of the project would impact any archaeological resources.

c) Directly or indirectly destroy a unique paleontological resource or site or unique geologic feature?

No Impact. The project will be located on property currently occupied by a warehouse and pipe storage area. The project site is in an area that has historically been used for oil production (within the Occidental of Elk oil field) and is already developed for industrial use. The District concludes that there is no substantial evidence of record to support a conclusion that construction and operation of the project would impact any paleontological or geologic resources.

d) Disturb any human remains, including those interred outside of formal cemeteries?

No Impact. The project will be located on property currently occupied by a warehouse and pipe storage area. The project site is in an area that has historically been used for oil production (within the Occidental of Elk oil field) and is already developed for industrial use. The District concludes that there is no substantial evidence of record to support a conclusion that construction and operation of the project would impact any human remains.



VI. GEOLOGY / SOILS	Potentially Significant Impact	Potentially Significant Impact Unless Mitigated	Less Than Significant Impact	No Impact
Would the Project				
a) Expose people or structures to potential substantial adverse effects, including the risk of loss, injury, or death involving:	-	-	-	-
i) Rupture of a known earthquake fault, as delineated on the most recent Alquist-Priolo Earthquake Fault Zoning Map issued by the State Geologist for the area or based on other substantial evidence of a known fault? Refer to Division of Mines and Geology Special Publication 42.			X	
ii) Strong seismic ground shaking?			X	
iii) Seismic-related ground failure, including liquefaction?				X
iv) Landslides?				X
b) Result in substantial soil erosion or the loss of topsoil?			X	
c) Be located on a geologic unit or soil that is unstable, or that would become unstable as a result of the Project, and potentially result in on- or off-site landslide, lateral spreading, subsidence, liquefaction or collapse?				X
d) Be located on expansive soil, as defined in Table 18-1-B of the Uniform Building Code (1994), creating substantial risks to life or property?				X
e) Have soils incapable of adequately supporting the use of septic tanks or alternative wastewater disposal systems where sewers are not available for the disposal of wastewater?				X

a) Expose people or structures to potential substantial adverse effects, including the risk of loss, injury, or death involving:

- i) Rupture of a known earthquake fault, as delineated on the most recent Alquist-Priolo Earthquake Fault Zoning Map issued by the State Geologist for the area or based on other substantial evidence of a known fault? Refer to Division of Mines and Geology Special Publication 42.

Less Than Significant Impact. The potential for extensive surface rupture is considered minimal since no known earthquake faults are in the project area.



Active or potentially active faults are located within the southern San Joaquin Valley region. It is unlikely that ground rupture would occur at the project site because it is not located within an Alquist-Priolo Earthquake Fault Zone or within 500 feet of known active fault trace. No impacts in this regard would occur.

ii) Strong seismic ground shaking?

Less Than Significant Impact. Although this project is not located near active or potentially active faults, any impacts could potentially induce ground shaking but is unlikely to occur at the project site. However, compliance with California seismic design requirements would ensure that the project site would not expose persons or property to strong seismic ground shaking hazards. Thus, impacts are expected to less than significant.

iii) Seismic-related ground failure, including liquefaction?

No impact. The project is not located in a liquefaction hazard area. Compliance with California seismic design requirements would ensure the project site would not expose persons or property to liquefaction hazards. No impacts in this regard would occur.

iv) Landslides?

No Impact. This project will not result in landslides. The project will be located within the existing Occidental of Elk Hills Inc. gas plant where the site currently contains a warehouse and a pipe storage area. Due to the relatively flat nature of the project site and the lack of nearby steep slopes, the potential for rock falls or landslides to impact the site in the event of an earthquake is very minimal. No impacts in this regard would occur.

b) Result in substantial soil erosion or the loss of topsoil?

Less Than Significant Impact. Construction of the project would not involve ground-disturbing activities that could potentially create erosion, nor will it result in substantial loss of topsoil. The current site is already in use for a warehouse and a pipe storage area. No mass grading will be required. In addition, all grading and groundwork will be performed in accordance with Kern County Planning and Building Department requirements. No impacts in this regard would occur.



- c) *Be located on a geologic unit or soil that is unstable, or that would become unstable as a result of the project, and potentially result in on- or off-site landslide, lateral spreading, subsidence, liquefaction or collapse?***

No Impact. The project will be located on property currently occupied by a warehouse and pipe storage area. The project is not located on an unstable geologic unit or soil. In addition, the project is designed in accordance with all building code requirements including those pertaining to excavations, grading, and foundations. Adherence to building code requirements would further reduce potential risks to life and property from unstable geologic units or soils. Impacts in this regard would be less than significant.

- d) *Be located on expansive soil, as defined in Table 18-1-B of the Uniform Building Code (1994), creating substantial risks to life or property?***

No Impact. The project is not located on expansive soil. It will be located on property currently occupied by a warehouse and pipe storage area. The project site is in an area that has historically been used for oil production (within the Occidental of Elk oil field). The project will adhere to the grading and foundation requirements of the California Buildings Standards Code (CBSC). These requirements set forth soil engineering standards that ensure building foundations are adequately supported. Adherence to CBSC standards would ensure that persons and structures are not exposed to hazards from shrinking and swelling of soils. No impacts in this regard would occur.

- e) *Have soils incapable of adequately supporting the use of septic tanks or alternative wastewater disposal systems where sewers are not available for the disposal of wastewater?***

No Impact. This project involves natural gas processing and will not require septic tanks or wastewater disposal systems. This project will include several small drain tanks and a "produced water tank" that will receive liquids from several processing points within the plant. The produced water tank will be served by a tank vapor recovery system and the vapors recovered from the tank will be routed to the gas plant intake system or the field gas collection system. Thus, no impacts in this regard would occur.



VII. GREENHOUSE GAS EMISSIONS				
Would the Project:	Potentially Significant Impact	Potentially Significant Impact Unless Mitigated	Less Than Significant Impact	No Impact
a) Generate greenhouse gas emissions, either directly or indirectly, that may have a significant impact on the environment?			X	
b) Conflict with an applicable plan, policy, or regulation adopted for the purpose of reducing the emissions of greenhouse gases?			X	

a) Generate greenhouse gas emissions, either directly or indirectly, that may have a significant impact on the environment?

Less Than Significant Impact. Assembly Bill (AB) 32 was adopted establishing a cap on statewide greenhouse gas emissions and sets forth the regulatory framework to achieve the corresponding reduction in statewide emissions levels. In executing its legislative mandate under AB32, the California Air Resources Board (CARB) developed a Scoping Plan. The Scoping Plan contains the main strategies California will use to reduce greenhouse gases (GHG) from Business-as-Usual (BAU) emissions projected from 2020 levels back down to 1990 levels. Business-as-Usual is the projected emissions in 2020 from the 2002-2004 baseline year, including increases in emissions caused by growth, without any greenhouse gas reduction measures. CARB determined that a 29% reduction from BAU is necessary to achieve the 1990 GHG emissions level.

On December 17, 2009, the District adopted the policy "*District Policy – Addressing GHG Emission Impacts for Stationary Source Projects Under CEQA When Serving as the Lead Agency*". The policy was developed to assist Lead Agencies, project proponents, permit applicants, and interested parties in assessing and reducing the impacts of project specific GHG emissions on global climate change.

The approach in the policy relies on the use of Best Performance Standard (BPS) that would be applicable to projects that result in increased GHG emissions. Use of BPS is a method of streamlining the CEQA process of determining significance and is not a required emission reduction measure. Projects implementing BPS would be determined to have a less than cumulatively significant impact. Otherwise, demonstration of a 29 percent reduction in GHG emissions, from business-as-usual (BAU), is required to determine that a project would have a less than cumulatively significant impact consistent with GHG emission reduction targets established in the Air Resources Board's AB 32 Scoping Plan.



For this project, a relatively small amount of greenhouse gas (GHG) emissions will result from activities related to the project. Large gas processing plants typically emit large amounts of GHG from fuel combustion in equipment required for compression, and the flaring of waste gas recovered from gas treating systems. However, the project is designed to eliminate most of the GHG emissions from these processing activities. Compression required for processing natural gas will be provided using high efficiency electric compressors. Use of the electric compressors will significantly reduce GHG emissions. Furthermore, the project will be designed to eliminate the need for process flaring. Instead waste gas streams will be compressed and injected into the production strata to help maintain reservoir pressure. In summary, the project design involves the use of electric compressors, the injection of the waste gas and the injection of ethane which would result in large reductions in GHG emissions compared to a Business-as-Usual design facility.

The long-term reductions achieved by the design of the project relative to the BAU design facility are expected to result in a 73% reduction in GHG emissions or about 584,000 metric tons of CO₂ each year, throughout the life of the project. The long-term reductions in GHG emissions brought about by the design of the proposed project render the short-term effects of construction related GHG emissions to less than significant. Therefore, impacts are expected to less than significant.

b) Conflict with an applicable plan, policy, or regulation adopted for the purpose of reducing the emissions of greenhouse gases?

Less Than Significant Impact. The County of Kern has not adopted a greenhouse gas Climate Action Plan yet but this project will not conflict with the goals and policies of the Kern County General Plan, and local ordinances. As discussed above, the project would also not interfere with the implementation of AB 32 because it would be consistent with the GHG emission reduction targets identified by CARB in their AB32 Scoping Plan. The project achieves BAU GHG emissions reduction greater than the 29% targeted reduction goal. This project will not conflict with District's policy for addressing GHG impacts nor with any other applicable plans, policies, or regulations. As such, impacts from GHG emissions are considered less than significant.



VIII. HAZARDS & HAZARDOUS MATERIALS				
Would the Project:	Potentially Significant Impact	Potentially Significant Impact Unless Mitigated	Less Than Significant Impact	No Impact
a) Create a significant hazard to the public or the environment through the routine transport, use, or disposal of hazardous materials?			X	
b) Create a significant hazard to the public or the environment through reasonably foreseeable upset and accident conditions involving the release of hazardous materials into the environment?			X	
c) Emit hazardous emissions or handle hazardous or acutely hazardous materials, substances, or waste within one-quarter mile of an existing or proposed school?				X
d) Be located on a site which is included on a list of hazardous materials sites compiled pursuant to Government Code Section 65962.5 and, as a result, would it create a significant hazard to the public or the environment?				X
e) For a Project located within an airport land use plan or, where such a plan has not been adopted, within two miles of a public airport or public use airport, would the Project result in a safety hazard for people residing or working in the Project area?				X
f) For a Project within the vicinity of a private airstrip, would the Project result in a safety hazard for people residing or working in the Project area?				X
g) Impair implementation of or physically interfere with an adopted emergency response plan or emergency evacuation plan?				X
h) Expose people or structures to a significant risk of loss, injury or death involving wildland fires, including where wildlands are adjacent to urbanized areas or where residences are intermixed with wildlands?				X

a) Create a significant hazard to the public or the environment through the routine transport, use, or disposal of hazardous materials?

Less Than Significant Impact: The project will be designed to process natural gas from crude oil and natural gas production operations by the Occidental of Elk Hills



Inc. Dry, sweet residue gas, propane, and natural gas liquids from the project will be delivered to existing pipelines for use as fuel or for custody transfer.

The U.S. Department of Transportation (DOT), Office of Pipeline Safety (OPS) regulates the safety of gas transmission pipelines. All gas pipeline projects delivering gas through a distribution system must be designed and constructed to meet or exceed the Federal safety standards established in 49 Code of Federal Regulations (CFR) Part 192. These regulations include specific standards for material selection and qualification, design requirements, protection from internal, external, and atmospheric corrosion, and worker training, safety, and qualifications specific to the location of the pipeline relative to population densities. Adhering to these guidelines and requirements will ensure that no significant hazard will be created to the public or the environment. Thus, impacts are expected to less than significant.

b) Create a significant hazard to the public or the environment through reasonably foreseeable upset and accident conditions involving the release of hazardous materials into the environment?

Less than Significant Impact. Compliance with existing safety standards in the construction and long-term operation of the system is expected to minimize the hazard to the public and the environment. Construction in compliance with state building codes applicable to the installation of natural gas infrastructure reduces this impact. Occupational safety standards exist in Federal and State laws to minimize worker safety risks from both physical and chemical hazards in the workplace. The California Division of Occupational Safety and Health (Cal/OSHA) is responsible for developing and enforcing workplace safety standards and assuring worker safety in the handling and use of hazardous materials. Among other requirements, Cal/OSHA obligates many businesses to prepare Injury and Illness Prevention Plans and Chemical Hygiene Plans. The Hazard Communication Standard requires that workers be informed of the hazards associated with the materials they handle. Thus, impacts are expected to less than significant.

c) Emit hazardous emissions or handle hazardous or acutely hazardous materials, substances, or waste within one-quarter mile of an existing or proposed school?

No Impact. This project will not be located within one-quarter mile of an existing or proposed school. This project site will occupy approximately 16.71 acres and will be in an area that has historically been used for oil production (within the Occidental of Elk oil field). The Elk Hills oil field comprises a contiguous area having a size of about 75 square miles. Thus, there would be no impact.



- d) Be located on a site which is included on a list of hazardous materials lists compiled pursuant to Government Code Section 65962.5 and, as a result, would it create a significant hazard to the public or the environment?***

No Impact: The project will be located on property currently occupied by a warehouse and pipe storage area. The project site is in an area that has historically been used for oil production (within the Occidental of Elk oil field). This project is not located on a site which meets this definition (Department of Toxic Substances Control website 2007). No impacts in this regard would occur.

- e) For a project located within an airport land use plan or, where such a plan has not been adopted, within two miles of a public airport or public use airport, would the project result in a safety hazard for people residing or working in the project area?***

No Impact: The project site is in an area that has historically been used for oil production (within the Occidental of Elk oil field). This project is not located within two miles or near a public airport or public use airport or within an airport land use plan. The nearest airport is the Airport Elk Hills-Buttonwillow and the nearest residential center is Dustin Acres, approximately 6.38 miles southeast of the project. No impacts in this regard would occur.

- f) For a project within the vicinity of a private airstrip, would the project result in a safety hazard for people residing or working the project area?***

No Impact. The project site is in an area that has historically been used for oil production (within the Occidental of Elk oil field). This project is not in the vicinity of a private airstrip. Thus, there would be no impact.

- g) Impair implementation of or physically interfere with an adopted emergency response plan or emergency evacuation plan?***

No Impact. The project will be located on property currently occupied by a warehouse and pipe storage area. The project site is in an area that has historically been used for oil production (within the Occidental of Elk oil field). The project would not require any physical alterations to existing public or private roadways that would impair or interfere with emergency response or evacuation. This project is consistent with current and surrounding land use and will be incorporated in the field's current emergency response and emergency evacuation plans. No impacts in this regard would occur.



h) Expose people or structures to a significant risk of loss, injury or death involving wildland fires, including where wildlands are adjacent to urbanized areas or where residences are intermixed with wildlands?

No Impact. The project will be located on property currently occupied by a warehouse and pipe storage area. The project site is in an area that has historically been used for oil production (within the Occidental of Elk oil field) and is consistent with the current and surrounding land use. The Elk Hills oil field comprises a contiguous area having a size of about 75 square miles. No wildlands are within close proximity of the project.

IX. HYDROLOGY / WATER QUALITY				
Would the Project:	Potentially Significant Impact	Potentially Significant Impact Unless Mitigated	Less Than Significant Impact	No Impact
a) Violate any water quality standards or waste discharge requirements?				X
b) Substantially deplete groundwater supplies or interfere substantially with groundwater recharge such that there would be a net deficit in aquifer volume or a lowering of the local groundwater table level (e.g., the production rate of pre-existing nearby wells would drop to a level which would not support existing land uses or planned uses for which permits have been granted)?				X
c) Substantially alter the existing drainage pattern of the site or area, including through the alteration of the course of a stream or river, in a manner, which would result in substantial erosion or siltation on- or off-site?				X
d) Substantially alter the existing drainage pattern of the site or area, including through the alteration of the course of a stream or river, or substantially increase the rate or amount of surface runoff in a manner which would result in flooding on- or off-site?				X
e) Create or contribute runoff water which would exceed the capacity of existing or planned storm water drainage systems or provide substantial additional sources of polluted runoff?				X
f) Otherwise substantially degrade water quality?				X
g) Place housing within a 100-year flood hazard area as mapped on a federal Flood Hazard Boundary or Flood Insurance Rate Map or other flood hazard delineation map?				X



h) Place within a 100-year flood hazard area structures which would impede or redirect flood flows?				X
i) Expose people or structures to a significant risk of loss, injury or death involving flooding, including flooding as a result of the failure of a levee or dam?				X
j) Inundation by seiche, tsunami, or mudflow				X

a) *Violate any water quality standards or waste discharge requirements?*

No Impact. This project involves natural gas processing and will not require septic tanks or wastewater disposal systems. This project will include several small drain tanks and a "produced water tank" that will receive liquids from several processing points within the plant. The produced water tank will be served by a tank vapor recovery system and the vapors recovered from the tank will be routed to the gas plant intake system or the field gas collection system. This project involves natural gas processing and does not utilize groundwater or groundwater recharge.

b) *Substantially deplete groundwater supplies or interfere substantially with groundwater recharge such that there would be a net deficit in aquifer volume or a lowering of the local groundwater table level (e.g., the production rate of pre-existing nearby wells would drop to a level which would not support existing land uses or planned uses for which permits have been granted)?*

No Impact. This project involves natural gas processing and does not utilize groundwater or groundwater recharge.

c) *Substantially alter the existing drainage pattern of the site or area, including through the alteration of the course of a stream or river, in a manner which would result in substantial erosion or siltation on- or off-site?*

No Impact. The project will be located on property currently occupied by a warehouse and pipe storage area. The project site is in an area that has historically been used for oil production (within the Occidental of Elk oil field). This project does not alter the existing drainage pattern of the area and does not alter any streams, rivers, or any other waterways.



- d) Substantially alter the existing drainage pattern of the site or area, including through the alteration of the course of a stream or river, or substantially increase the rate or amount of surface runoff in a manner which would result in flooding on- or off-site?**

No Impact. The project will be located on property currently occupied by a warehouse and pipe storage area. The project site is in an area that has historically been used for oil production (within the Occidental of Elk oil field). This project does not alter the existing drainage pattern of the area and does not alter any streams, rivers, or any other waterways. It would not introduce any new flood hazard and would not necessitate any new flood control projects.

- e) Create or contribute runoff water which would exceed the capacity of existing or planned stormwater drainage systems or provide substantial additional sources of polluted runoff?**

No Impact. The project will be located on property currently occupied by a warehouse and pipe storage area. The project site is in an area that has historically been used for oil production (within the Occidental of Elk oil field) and is already developed for industrial use. Precipitation at the project site is rarely sufficient to cause runoff and it is not likely that storm water will leave the property.

- f) Otherwise substantially degrade water quality?**

No Impact: The project will be located on property currently occupied by a warehouse and pipe storage area. The project site is in an area that has historically been used for oil production (within the Occidental of Elk oil field) and is already developed for industrial use. Precipitation at the project site is rarely sufficient to cause runoff and it is not likely that storm water will leave the property. This project does not utilize groundwater or groundwater recharge.

- g) Place housing within a 100-year flood hazard area as mapped on a federal Flood Hazard Boundary or Flood Insurance Rate Map or other flood hazard delineation map?**

No Impact. The project will be located on property currently occupied by a warehouse and pipe storage area. The project site is in an area that has historically been used for oil production (within the Occidental of Elk oil field) and is already developed for industrial use. This project does not include housing, and it is located outside the 100-year flood zone.



h) Place within a 100-year flood hazard area structures, which would impede or redirect flood flows?

No Impact. The project will be located on property currently occupied by a warehouse and pipe storage area. The project site is in an area that has historically been used for oil production (within the Occidental of Elk oil field) and is already developed for industrial use. The project is located outside the 100-year flood zone, so no redirection of flood flows will occur.

i) Expose people or structures to a significant risk of loss, injury or death involving flooding, including flooding as a result of the failure of a levee or dam?

No Impact. The project will be located on property currently occupied by a warehouse and pipe storage area. The project site is in an area that has historically been used for oil production (within the Occidental of Elk oil field) and is already developed for industrial use. The installation of this project will not expose people or structures to flooding. The project is located outside the 100-year flood zone.

j) Inundation by seiche, tsunami, or mudflow?

No Impact. The project site is in Kern County which is not identified in the Tsunami Inundation maps by the California Geological Survey as a county with inundation risk. The project site is in an area that has historically been used for oil production (within the Occidental of Elk oil field) and is located outside the 100-year flood zone. It is unlikely that inundation would occur.

X. LAND USE / PLANNING				
Would the Project:	Potentially Significant Impact	Potentially Significant Impact Unless Mitigated	Less Than Significant Impact	No Impact
a) Physically divide an established community?				X
b) Conflict with any applicable land use plan, policy, or regulation of an agency with jurisdiction over the Project (including, but not limited to the general plan, specific plan, local coastal program, or zoning ordinance) adopted for the purpose of avoiding or mitigating an environmental effect?				X
c) Conflict with any applicable habitat conservation plan or natural community conservation plan?				X



a) Physically divide an established community?

No Impact. The project will be located on property currently occupied by a warehouse and pipe storage area. The project site is in an area that has historically been used for oil production (within the Occidental of Elk oil field) and is already developed for industrial use. This project is consistent with the current and surrounding land use and will not divide an established community.

b) Conflict with any applicable land use plan, policy, or regulation of an agency with jurisdiction over the project (including, but not limited to the general plan, specific plan, local coastal program, or zoning ordinance) adopted for the purpose of avoiding or mitigating an environmental effect?

No Impact. The project site is zoned A-1 – Limited Agriculture. This project is consistent with current and surrounding land use and will therefore not conflict with any land use plans, policies, or regulations.

c) Conflict with any applicable habitat conservation plan or natural community conservation plan?

No Impact. The project will be located on property currently occupied by a warehouse and pipe storage area. The project site is in an area that has historically been used for oil production (within the Occidental of Elk oil field). It is not subject to the provisions of any Habitat Conservation Plans or Natural Community Conservation Plans.

XI. MINERAL RESOURCES				
Would the Project:	Potentially Significant Impact	Potentially Significant Impact Unless Mitigated	Less Than Significant Impact	No Impact
a) Result in the loss of availability of a known mineral resource that would be of value to the region and the residents of the state?				X
b) Result in the loss of availability of a locally important mineral resource recovery site delineated on a local general plan, specific plan or other land use plan?				X

a) Result in the loss of availability of a known mineral resource that would be of value to the region and the residents of the state?

No Impact. The project will be located on property currently occupied by a warehouse and pipe storage area. The project site is in an area that has historically been used for oil production (within the Occidental of Elk oil field) and is already developed for industrial use.



b) Result in the loss of availability of a locally important mineral resource recovery site delineated on a local general plan, specific plan or other land use plan?

No Impact. The project will be located on property currently occupied by a warehouse and pipe storage area. The project site is in an area that has historically been used for oil production (within the Occidental of Elk oil field) and is already developed for industrial use.

XII. NOISE				
Would the Project result in:	Potentially Significant Impact	Potentially Significant Impact Unless Mitigated	Less Than Significant Impact	No Impact
a) Exposure of persons to or generation of noise levels in excess of standards established in the local general plan or noise ordinance, or applicable standards of other agencies?				X
b) Exposure of persons to or generation of excessive ground borne vibration or ground borne noise levels?			X	
c) A substantial permanent increase in ambient noise levels in the Project vicinity above levels existing without the Project?				X
d) A substantial temporary or periodic increase in ambient noise levels in the Project vicinity above levels existing without the Project?			X	
e) For a Project located within an airport land use plan or, where such a plan has not been adopted, within two miles of a public airport or public use airport, would the Project expose people residing or working in the Project area to excessive noise levels?				X
f) For a Project within the vicinity of a private airstrip, would the Project expose people residing or working in the Project area to excessive noise levels?				X

a) Exposure of persons to or generation of noise levels in excess of standards established in any local general plan or noise ordinance, or applicable standards of other agencies?

No Impact. The project will be located on property currently occupied by a warehouse and pipe storage area. The project site is in an area that has historically been used for oil production (within the Occidental of Elk oil field) and is already developed for industrial use. The nearest residential center is Dustin Acres, located approximately 6.38 miles southeast. Existing sources of ambient noise in the project



area include traffic and equipments for the daily operation of the existing facilities. There is no expected increase in trips for the operation of this project, and no increase in noise due to an increase in employees or resources transport.

b) Exposure of persons to, or generation of, excessive ground borne vibration or ground borne noise levels?

Less Than Significant Impact. The project will be located on property currently occupied by a warehouse and pipe storage area. The project site is in an area that has historically been used for oil production (within the Occidental of Elk oil field) and is already developed for industrial use. The nearest residential center is Dustin Acres, located approximately 6.38 miles southeast. Operation of the project will include a variety of equipment required for compressing, treating, and dehydrating rich wet field gas, equipment required for processing and extracting natural gas liquids, and recovering liquefied petroleum gas products and utility systems required for supporting the various process units that comprise the project. This may cause perceptible on-site ground borne noise or vibration, but since the construction site is far from the nearest neighbor, it is highly unlikely that any vibration or noise will be noticed off-site. Activities associated with construction equipment would occur on a temporary basis.

c) A substantial permanent increase in ambient noise levels in the project vicinity above levels existing without the project?

No Impact. The project will be located on property currently occupied by a warehouse and pipe storage area. The project site is in an area that has historically been used for oil production (within the Occidental of Elk oil field) and is already developed for industrial use. The nearest residential center is Dustin Acres, located approximately 6.38 miles southeast. Future noise types and volumes are expected to be similar to the existing conditions of the land use and are expected to remain well below the applicable Kern County noise standards.

d) A substantial temporary or periodic increase in ambient noise levels in the project vicinity above levels existing without the project?

Less than Significant Impact. Noise levels associated with construction activities would be higher than the ambient noise levels in the existing project site; however construction noise levels would be temporary. The nearest residential center is Dustin Acres, located approximately 6.38 miles southeast and are not expected to be impacted by temporary increases in noise.



- e) For a project located within an airport land use plan or, where such a plan has not been adopted, within two miles of a public airport or public use airport, would the project expose people residing or working in the project area to excessive noise levels?***

No Impact. This project is not located within an airport land use plan or within two miles of a public use airport. The closest airport is located approximately 5.6 miles north of the proposed project. This distance precludes the possibility of the project site being adversely exposed to aviation noise.

- f) For a project within the vicinity of a private airstrip, would the project expose people residing or working in the project area to excessive noise levels?***

No Impact. This project is not within the vicinity of a private airstrip.



XIII. POPULATION / HOUSING				
Would the Project:	Potentially Significant Impact	Potentially Significant Impact Unless Mitigated	Less Than Significant Impact	No Impact
a) Induce substantial population growth in an area, either directly (for example, by proposing new homes and businesses) or indirectly (for example, through extension of roads or other infrastructure)?				X
b) Displace substantial numbers of existing housing, necessitating the construction of replacement housing elsewhere?				X
c) Displace substantial numbers of people, necessitating the construction of replacement housing elsewhere?				X

a) Induce substantial population growth in an area, either directly (for example, by proposing new homes and businesses) or indirectly (for example, through extension of roads or other infrastructure)?

No Impact. The project will be located on property currently occupied by a warehouse and pipe storage area. The project site is in an area that has historically been used for oil production (within the Occidental of Elk oil field) and is already developed for industrial use. The project will be manned using existing personnel and will not involve an increase in employees and/or their families.

b) Displace substantial numbers of existing housing, necessitating the construction of replacement housing elsewhere?

No Impact. The project will be located on property currently occupied by a warehouse and pipe storage area. The project site is in an area that has historically been used for oil production (within the Occidental of Elk oil field) and is already developed for industrial use.

c) Displace substantial numbers of people, necessitating the construction of replacement housing elsewhere?

No Impact. The project will be located on property currently occupied by a warehouse and pipe storage area. The project site is in an area that has historically been used for oil production (within the Occidental of Elk oil field) and is already developed for industrial use.



XIV. PUBLIC SERVICES				
Would the Project:	Potentially Significant Impact	Potentially Significant Impact Unless Mitigated	Less Than Significant Impact	No Impact
a) Result in substantial adverse physical impacts associated with the provision of new or physically altered governmental facilities, need for new or physically altered governmental facilities, the construction of which could cause significant environmental impacts, in order to maintain acceptable service ratios, response times or other performance objectives for any of the public services:	-	-	-	-
i) Fire protection?			X	
ii) Police protection?				X
iii) Schools?				X
iv) Parks?				X
v) Other public facilities?				X

- a) **Would the project result in substantial adverse physical impacts associated with the provision of new or physically altered governmental facilities, need for new or physically altered governmental facilities, the construction of which could cause significant environmental impacts, in order to maintain acceptable service ratios, response times or other performance objectives for any of the public services:**

i) *Fire Protection?*

Less Than Significant Impact. The project will be located on property currently occupied by a warehouse and pipe storage area. The project site is in an area that has historically been used for oil production (within the Occidental of Elk oil field) and is already developed for industrial use. The project will include a 175 brake horsepower, EPA certified Tier-3 diesel engine, to be used to power water pump for fire fighting, should the need arise. The project would not require construction of a new fire station or a substantially increase in the level of service.

ii) *Police Protection?*

No Impact. The project will be located on property currently occupied by a warehouse and pipe storage area. The project site is in an area that has



historically been used for oil production (within the Occidental of Elk oil field) and is already developed for industrial use.

iii) Schools?

No Impact. The project will be manned using existing personnel and will not involve an increase in employees and/or their families.

iv) Parks?

No Impact. The project will be manned using existing personnel and will not involve an increase in employees and/or their families.

v) Other Public Facilities?

No Impact. The project will be manned using existing personnel and will not involve an increase in employees and/or their families.

XV. RECREATION Would the Project:	Potentially Significant Impact	Potentially Significant Impact Unless Mitigated	Less Than Significant Impact	No Impact
a) Increase the use of existing neighborhood and regional parks or other recreational facilities such that substantial physical deterioration of the facility would occur or be accelerated?				X
b) Include recreational facilities or require the construction or expansion of recreational facilities which might have an adverse physical effect on the environment?				X

a) Increase the use of existing neighborhood and regional parks or other recreational facilities such that substantial physical deterioration of the facility would occur or be accelerated?

No Impact. The project will be manned using existing personnel and will not involve an increase in employees and/or their families.



b) Include recreational facilities or require the construction or expansion of recreational facilities which might have an adverse physical effect on the environment?

No Impact. The project will be manned using existing personnel and will not involve an increase in employees and/or their families.

XVI. TRANSPORTATION / TRAFFIC				
Would the Project:	Potentially Significant Impact	Potentially Significant Impact Unless Mitigated	Less Than Significant Impact	No Impact
a) Conflict with an applicable plan, ordinance or policy establishing measures of effectiveness for the performance of the circulation system, taking into account all modes of transportation including mass transit and on motorized travel and relevant components of the circulation system, including but not limited to intersections, streets, highways and freeways, pedestrian and bicycle paths, and mass transit?				X
b) Conflict with an applicable congestion management program, including, but not limited to level of service standards and travel demand measures, or other standard established by the county congestion management agency for designated roads of highways?				X
c) Result in a change in air traffic patterns, including either an increase in traffic levels or a change in location that results in substantial safety risks?				X
d) Substantially increase hazards due to a design feature (e.g., sharp curves or dangerous intersections) or incompatible uses (e.g., farm equipment)?				X
e) Result in inadequate emergency access?				X
f) Conflict with adopted policies, plans, or programs regarding public transit, bicycle, or pedestrian facilities, or otherwise decrease the performance or safety of such facilities?				X



- a) ***Conflict with an applicable plan, ordinance or policy establishing measures of effectiveness for the performance of the circulation system, taking into account all modes of transportation including mass transit and on motorized travel and relevant components of the circulation system, including but not limited to intersections, streets, highways and freeways, pedestrian and bicycle paths, and mass transit?***

No Impact. The facility will be manned using existing personnel, and residue gas and NGL products will be delivered using product pipeline systems. Temporary increases in traffic will occur during construction from workers but would be minimized by commuting by buses. The project will not increase the oilfield traffic and employee commute that currently occurs in the area nor would it require any changes to the existing and planned circulation system.

- b) ***Conflict with an applicable congestion management program, including, but not limited to level of service standards and travel demand measures, or other standard established by the county congestion management agency for designated roads of highways?***

No Impact. The project related facility will be manned using existing personnel, and residue gas and natural gas liquids products will be delivered using existing pipeline systems. Temporary increases in traffic will occur during construction from workers but would be minimized by commuting by buses.

- c) ***Result in change in air traffic patterns, including either an increase in air traffic levels or a change in location that results in substantial safety risks?***

No Impact. The project will be located on property currently occupied by a warehouse and pipe storage area. The project site is in an area that has historically been used for oil production (within the Occidental of Elk oil field) and is already developed for industrial use. Construction and operational activities will not affect air traffic patterns.

- d) ***Substantially increase hazards due to a design feature (e.g. sharp curves or dangerous intersections) or incompatible uses (e.g. farm equipment)?***

No Impact. There will be no alterations to existing roads or intersections. The project related facility will be manned using existing personnel, and residue gas and natural gas liquids products will be delivered using existing pipeline systems.

- e) ***Result in inadequate emergency access?***

No Impact. There will be no change affecting emergency access. This project does not result in changes to the existing pathways. The project will be located on



property currently occupied by a warehouse and pipe storage area. The project site is in an area that has historically been used for oil production (within the Occidental of Elk oil field).

f) Conflict with adopted policies, plans, or program regarding public transit, bicycle, or pedestrian facilities, or otherwise decrease the performance or safety of such facilities?

No Impact. The project will be located on property currently occupied by a warehouse and pipe storage area. The project site is in an area that has historically been used for oil production (within the Occidental of Elk oil field) and is already developed for industrial use. The project will be manned using existing personnel and will not involve an increase in employees and/or their families. Residue gas and natural gas liquids products will be delivered using existing pipeline systems.

XVII. UTILITIES / SERVICE SYSTEMS		Potentially Significant Impact Unless Mitigated	Less Than Significant Impact	
Would the Project:	Potentially Significant Impact			No Impact
a) Exceed wastewater treatment requirements of the applicable Regional Water Quality Control Board?				X
b) Require or result in the construction of new water or wastewater treatment facilities or expansion of existing facilities, the construction of which could cause significant environmental effects?				X
c) Require or result in the construction of new storm water drainage facilities or expansion of existing facilities, the construction of which could cause significant environmental effects?				X
d) Have sufficient water supplies available to serve the Project from existing entitlements and resources, or are new or expanded entitlements needed?				X
e) Result in a determination by the wastewater treatment provider that serves or may serve the Project that it has adequate capacity to serve the Project's Projected demand in addition to the provider's existing commitments?				X
f) Be served by a landfill with sufficient permitted capacity to accommodate the Project's solid waste disposal				X



needs?				
g) Comply with federal, state, and local statutes and regulations related to solid waste?				X

a) Exceed wastewater treatment requirements of the applicable Regional Water Quality Control Board?

No Impact. The project involves natural gas processing and does not involve wastewater. The project will include several small drain tanks and a “produced water tank” that will receive liquids from several processing points within the plant. The produced water tank will be served by a tank vapor recovery system and the vapors recovered from the tank will be routed to the gas plant intake system or the field gas collection system.

b) Require or result in the construction of new water or wastewater treatment facilities or expansion of existing facilities, the construction of which could cause significant environmental effects?

No Impact. The project involves natural gas processing and does not require or result in the construction or expansion of new water or wastewater treatment facilities.

c) Require or result in the construction of new storm water drainage facilities or expansion of existing facilities, the construction of which could cause significant environmental impacts?

No Impact. The project will be located on property currently occupied by a warehouse and pipe storage area. The project site is in an area that has historically been used for oil production (within the Occidental of Elk oil field) and is already developed for industrial use. The construction of this proposed project will not create a demand for new or expanding storm water drainage facilities.

d) Have sufficient water supplies available to serve the project from existing entitlements and resources, or are new or expanded entitlements needed?

No Impact. The project does not use steam for heating and will only require a small amount of water for utilities purposes; hence, it will have sufficient water supply.



e) Result in a determination by the wastewater treatment provider that serves or may serve the project that it has adequate capacity to serve the Project's Projected demand in addition to the provider's existing commitments??

No Impact. The project involves natural gas processing and does not require or result in the construction or expansion of new water or wastewater treatment facilities. The project will not impact any wastewater treatment providers.

f-g) Be served by a landfill with sufficient permitted capacity to accommodate the project's solid waste disposal needs? Comply with federal, state, and local statutes and regulations related to solid waste?

No Impact. The project will be located on property currently occupied by a warehouse and pipe storage area. The project site is in an area that has historically been used for oil production (within the Occidental of Elk oil field) and is already developed for industrial use. The project involves natural gas processing and is not expected to generate landfill waste.

XVIII. MANDATORY FINDINGS OF SIGNIFICANCE	Potentially Significant Impact	Potentially Significant Impact Unless Mitigated	Less Than Significant Impact	No Impact
a) Does the Project have the potential to degrade the quality of the environment, substantially reduce the habitat of a fish or wildlife species, cause a fish or wildlife population to drop below self-sustaining levels, threaten to eliminate a plant or animal community, reduce the number or restrict the range of a rare or endangered plant or animal or eliminate important examples of the major periods of California history or prehistory?			X	
b) Does the Project have impacts that are individually limited, but cumulatively considerable? ("Cumulatively Considerable" means that the incremental effects of a Project are considerable when viewed in connection with the effects of past Projects, the effects of other current Projects, and the effects of probable future Projects)?			X	



c) Does the Project have environmental effects, which will cause substantial adverse effects on human beings, either directly or indirectly?			X	
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- a) ***Does the project have the potential to degrade the quality of the environment, substantially reduce the habitat of a fish or wildlife species, cause a fish or wildlife population to drop below self-sustaining levels, threaten to eliminate a plant or animal community, reduce the number or restrict the range of a rare or endangered plant or animal or eliminate important examples of the major periods of California history or prehistory?***

Less Than Significant Impact: The project will be located on property currently occupied by a warehouse and pipe storage area. The project site is in an area that has historically been used for oil production (within the Occidental of Elk oil field) and is already developed for industrial use. Project design elements and conditions of project approval that reduce project related impacts on the environment would be enforced through District permit conditions and surrendering emission reduction credits.

- b) ***Does the project have impacts that are individually limited, but cumulatively considerable? ("Cumulatively considerable" means that the incremental effects of a project are considerable when viewed in connection with the effects of past projects, the effects of other current projects, and the effects of probable future projects)?***

Less than Significant Impact. The San Joaquin Valley Air Basin is in nonattainment for ozone and PM2.5 standards and in nonattainment for State PM10 standards because of cumulative emissions from numerous sources throughout the Valley as well as transport of pollutants from other regions outside of the Valley. The annual emissions threshold of 10 tons for both ROG and NOx, and 15 tons for PM10 are to limit the cumulative impact from contribution of individual projects, thereby reducing the cumulative impacts of many smaller-scale projects. The project would not result in emissions exceeding those thresholds. Additionally, compliance with District Regulation VIII requirements would ensure that cumulative PM10 and PM2.5 impacts would be less than significant. The project would also use existing personnel to manage the facility. Therefore, the project is not expected to pose a significant cumulative CO impact from mobile sources or have hazardous air pollutants (HAPs) impact based on results of the Health Risk Assessment. There are no significant cumulative noise, and traffic impacts caused by the project. The project is not part of any larger, planned development. Therefore, the project's cumulative impacts are expected to be less than significant.



c) Does the project have environmental effects which will cause substantial adverse effects on human beings, either directly or indirectly?

Less than Significant Impact. The project will be located on property currently occupied by a warehouse and pipe storage area. The project site is in an area that has historically been used for oil production (within the Occidental of Elk oil field) and is already developed for industrial use. Project design elements and conditions of project approval that reduce project related impacts on the environment would be enforced through District permit conditions and surrendering emission reduction credits.

The applicant for this project is required to comply with applicable rules and regulation. This project will not conflict with District's policy for addressing GHG impacts nor with any other applicable plans, policies, or regulations. Furthermore, the project reduces BAU GHG emission by greater than 29%. Therefore, the project would not interfere with the implementation of AB 32 because it would be consistent with the GHG emission reduction targets identified by California Air Resources Board's Climate Scoping Plan.



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APPENDIX A

Comments and Responses for Initial Study/Negative Declaration New Cryogenic Natural Gas Processing Plant (S-1103628)

December 1, 2010



The San Joaquin Valley Air Pollution Control District (District) provided a notice of intent to adopt a negative declaration for the proposed construction and operation of a new cryogenic natural gas processing plant to be located at the existing Occidental gas plant site, (Stationary Source S-2234). The Initial Study and Negative Declaration were available for public review and comment from October 15, 2010 to November 15, 2010.

The following party provided written comments on the proposed Negative Declaration:

- State of California Department of Fish and Game (F&G)

All comments were duly considered and addressed in preparation of the final Negative Declaration. A copy of the comment letter is incorporated into this document as Appendix B. A summary of salient comments and associated responses follow.

1. **Comment:** While the Negative Declaration describes the project as an existing developed site, the project description is lacking in detail regarding total area that could be disturbed either permanently or temporarily by project activities. It is not clear from the limited information provided whether the operation of the facility could also impact biological resources.

Response: The project proponent has met with F&G to provide them a better understanding of the scope of the project relative to the site conditions and how this may impact biological resources known to occur on the Elk Hills/NPR. For clarity, the project description has been amended to provide additional details reinforcing that all work will be conducted in adherence to the 1995 Biological Opinion and Memorandum of Understanding (MOU) between Occidental and the California Department of Fish and Game. This change is an administrative clarification supporting the District's original determination that the project would have a less than significant impact on biological species.

2. **Comment:** The Department is not able to concur with the conclusion that potential impacts to sensitive biological resources will be less than significant without the application of avoidance, minimization, and mitigation measures.

Response: The project proponent has met with F&G to provide them a better understanding of the scope of the project relative to the site conditions and how this may impact biological resources known to occur on the Elk Hills/NPR. It was determined that all work will be conducted in adherence to the existing 1995 Biological Opinion and Memorandum of Understanding (MOU) between Occidental and the California Department of Fish and Game. As such, F&G found no basis upon which to conclude that the project would have a significant impact on sensitive biological resources. Per the request of F&G, the Negative Declaration has been amended to state that Oxy will notify the Department of Fish and Game and the US Fish and Wildlife Service in the event a State or Federally listed species is encountered within the building envelope during active construction of the gas plant. Compliance with regulatory requirements, including the existing MOU is not optional



and as such does not constitute mitigation. Thus, the change is an administrative clarification supporting the District's original determination that the project would have a less than significant impact on biological species.

3. **Comment:** The Department is working with Occidental of Elk Hills, Inc., to develop a Habitat Conservation Plan for activities within the Elk Hills oil field. It is not clear why this project is being proposed independently and whether doing so might constitute piecemealing of a larger project.

Response: The project proponent has met with F&G to provide them a better understanding of the scope of the project relative to the site conditions and how this may impact biological resources known to occur on the Elk Hills/NPR. The question regarding possible piecemealing has been resolved.

4. **Comment:** The comment letter provided discussion regarding F&G's various roles under CEQA, their jurisdictional responsibilities for biological species, sensitive biological species known to occur within the Elk Hills oil field, and various approaches for avoiding and minimizing impacts to sensitive species.

Response: The discussion was informational in nature. No response is required.

5. **Comment:** If measures are required to ensure that any impacts are reduced to a less than significant level, then those measures should be included as mitigation. A Negative Declaration would not be appropriate if any avoidance, minimization, or compensation is necessary to reduce potential project related impacts.

Response: The project proponent has met with F&G to provide them a better understanding of the scope of the project relative to the site conditions and how this may impact biological resources known to occur on the Elk Hills/NPR. It was determined that all work will be conducted in adherence to the existing 1995 Biological Opinion and Memorandum of Understanding (MOU) between Occidental and the California Department of Fish and Game. As such, F&G found no basis upon which to conclude that the project would have a significant impact on sensitive biological resources. Compliance with regulatory requirements, including the existing MOU is not optional and as such does not constitute mitigation. Thus, a Negative Declaration is appropriate for this project.



APPENDIX B

Comments Received for
Initial Study/Negative Declaration
New Cryogenic Natural Gas Processing Plant (S-1103628)

December 1, 2010



San Joaquin Valley Unified Air Pollution Control District
Initial Study/Negative Declaration
New Cryogenic Natural Gas Processing Plant (S-1103628)

December 1, 2010



State of California – The Natural Resources Agency
DEPARTMENT OF FISH AND GAME
Central Region
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ARNOLD SCHWARZENEGGER, Governor
JOHN McCAMMAN, Director



November 15, 2010

Patia Siong
ISR / CEQA Department
San Joaquin Valley
Air Pollution Control District
1990 East Gettysburg Avenue
Fresno, California 93726-0244

Subject: Negative Declaration (ND)
Cryogenic Natural Gas Processing Plant for Occidental of Elk Hills, Inc.

Dear Ms. Siong:

The Department of Fish and Game has reviewed the ND submitted by the San Joaquin Valley Air Pollution Control District for the above Project. Project approval would allow for the construction and operation a new cryogenic natural gas processing plant on the site of an existing warehouse and pipe storage yard. The Project is estimated to encompass 16.2 acres and construction would occur over approximately 14 months. The Project site is located in the Elk Hills oil field in western Kern County, in the NW ¼ of Section 35, Township 30S, Range 23E.

While the ND describes the Project location as an existing developed site, the Project description is lacking in detail regarding the total area that could be disturbed either permanently or temporarily by Project activities. Specifically, the Project description regarding construction does not indicate where equipment storage and staging areas will be, number and locations of vehicle access points to the Project site, or whether the disclosed 16.2-acre Project size includes all areas of temporary disturbance. The ND does not include a site plan or other description of these areas. In addition, the ND states that the Project description includes both construction and operation of the new facility, and it is not clear from the limited information provided whether the operation of the facility could also have impacts to biological resources.

The Department is not able to concur with the ND's conclusion that potential impacts to sensitive biological resources will be less than significant without the application of avoidance, minimization, and mitigation measures. Multiple State-listed species have been documented in the immediate vicinity of the Project site, and other sensitive species have the potential to occur. The ND does not appear to have established biological baseline based on a visit to the site by a qualified biologist, and therefore does not evaluate the potential for significant Project-related impacts to occur to species known to the Project vicinity. The Department is concerned that impacts to special status species could occur, and that in order to ensure that those potential impacts are reduced to less than significant levels, enforceable mitigation measures would need to be proposed such that the Department and the public can evaluate the effectiveness of those measures.

Conserving California's Wildlife Since 1870



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Based on insufficient information provided in the ND relative to the Project description and the potential for significant impacts, the Department recommends that the California Environmental Quality Act (CEQA) document be recirculated with all relevant information and mitigation measures included. Because the Department acts as Trustee Agency under CEQA and the Project has the potential to impact biological resources, the recirculated CEQA document should be submitted to the State Clearinghouse for distribution. The Department is working with Occidental of Elk Hills, Inc., to develop a Habitat Conservation Plan for activities within the Elk Hills oil field, and it is not clear why this Project is being proposed independently and whether doing so might constitute piecemealing of a larger project.

Trustee Agency Authority: The Department is a Trustee Agency with the responsibility under CEQA for commenting on projects that could impact plant and wildlife resources. Pursuant to Fish and Game Code Section 1802, the Department has jurisdiction over the conservation, protection, and management of fish, wildlife, native plants, and habitat necessary for biologically sustainable populations of those species. As a Trustee Agency for fish and wildlife resources, the Department is responsible for providing, as available, biological expertise to review and comment on environmental documents and impacts arising from project activities, as those terms are used under CEQA.

Responsible Agency Authority: The Department has regulatory authority over projects that could result in the "take" of any species listed by the State as threatened or endangered, pursuant to Fish and Game Code Section 2081. If the Project could result in the "take" of any species listed as threatened or endangered under the California Endangered Species Act (CESA), the Department may need to issue an Incidental Take Permit for the Project. CEQA requires a Mandatory Finding of Significance if a project is likely to substantially impact threatened or endangered species (Sections 21001(c), 21083, Guidelines Sections 15380, 15064, 15065). Impacts must be avoided or mitigated to less than significant levels unless the CEQA Lead Agency makes and supports a Statement of Overriding Consideration (SOC). The CEQA Lead Agency's SOC does not eliminate the Project proponent's obligation to comply with Fish and Game Code Section 2080. The Project has the potential to reduce the number or restrict the range of the State threatened and Federally endangered San Joaquin kit fox (*Vulpes macrotis mutica*), the State and Federally endangered giant kangaroo rat (*Dipodomys ingens*), the State and Federally endangered and State fully protected blunt-nosed leopard lizard (*Gambelia sila*), and the State threatened San Joaquin antelope squirrel (*Ammospermophilus nelsoni*).

Unlisted Species: Species of plants and animals need not be officially listed as Endangered, Rare, or Threatened (E, R, or T) on any State or Federal list to be considered E, R, or T under CEQA. If a species can be shown to meet the criteria for E, R, or T, as specified in the CEQA Guidelines (California Code of Regulations, Title 14, Chapter 3, Section 15380), it should be fully considered in the environmental analysis for the Project. The State Species of Special Concern burrowing owl (*Athene cunicularia*) and short-nosed kangaroo rat (*Dipodomys nitratoides brevinasus*) could occur in the Project area, and species-specific measures should be included in the CEQA document to ensure that impacts are kept at less than significant levels.



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Fully Protected Species: The Department has jurisdiction over fully protected species of birds, mammals, amphibians, reptiles, and fish, pursuant to Fish and Game Code Sections 3511, 4700, 5050, and 5515. "Take" of any fully protected species is prohibited and the Department cannot authorize their "take" for development. The blunt-nosed leopard lizard is a fully protected species that could occur on or adjacent to the Project site. The CEQA document prepared for this project should evaluate and address potential project-related impacts to this species, and should include appropriate species specific avoidance and minimization measures.

Bird Protection: The Department has jurisdiction over actions that may result in the disturbance or destruction of active nest sites or the unauthorized "take" of birds. Sections of the Fish and Game Code that protect birds, their eggs and nests include Sections 3503 (regarding unlawful "take," possession or needless destruction of the nest or eggs of any bird), 3503.5 (regarding the "take," possession or destruction of any birds-of-prey or their nests or eggs), and 3513 (regarding unlawful "take" of any migratory nongame bird).

Project Recommendations

San Joaquin Kit Fox: San Joaquin kit fox has been documented in the Project vicinity and is known to use highly disturbed sites, including active construction zones. Without adequate measures in place during ground-disturbing and other Project activities, impacts to kit foxes could occur. The Department recommends that a qualified biologist survey all areas of planned permanent and temporary disturbance plus a minimum 200-foot buffer, including currently developed areas, to identify any potential kit fox dens and den surrogates. Survey results should be submitted to the Department. If kit fox dens are present on or adjacent to the Project site, the Department recommends consultation to determine whether an Incidental Take Permit is warranted.

Project areas that do not provide denning habitat still have the potential to be used by kit foxes. The Department recommends that the United States Fish and Wildlife Service's (USFWS) "Standardized recommendations for protection of the San Joaquin kit fox prior to or during ground disturbance" (1999) be followed prior to any ground-disturbing activities occurring within the Project area. The Department also recommends that the avoidance, minimization, and mitigation measures described therein be included in the CEQA document that is approved for this Project.

"Take" under the Federal Endangered Species Act (FESA) is more stringently defined than CESA; "take" under FESA also includes significant habitat modification or degradation that could result in death or injury to a listed species by interfering with essential behavioral patterns such as breeding, foraging, or nesting. Consultation with the USFWS in order to comply with FESA is advised well in advance of Project implementation.

Listed Rodent Species: San Joaquin antelope squirrel and giant kangaroo rat have the potential to occur on or adjacent to areas of the Project site. Surveys of the entire Project site and an appropriate buffer should be conducted by a qualified biologist who is experienced in identifying these animals and characteristics of occupied habitat. Depending on the results of



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surveys, consultation with the Department may be warranted to determine if the Project can avoid "take". If "take" cannot be avoided, acquisition of an Incidental Take Permit would be required prior to Project implementation. Alternatively, the applicant has the option of assuming presence and securing a State Incidental Take Permit for one or both species.

Nonlisted Rodent Species: The short-nosed kangaroo rat has been documented in the Project vicinity, and other sensitive but nonlisted rodent species have the potential to occur on or adjacent to the Project site. The CEQA document for this Project should identify which species have the potential to occur, and whether significant impacts could result from Project implementation. Any avoidance, minimization, and mitigation measures necessary to reduce impacts to less than significant levels should be clearly stated. It is important to note that if the CEQA document proposes to remove or relocate any individuals of a State Species of Special Concern, written approval from the Department will be required; a biologist's Scientific Collecting Permit does not authorize the moving of these individuals out of harm's way on a Project site.

Blunt-Nosed Leopard Lizard: The CEQA document prepared for this Project should address the potential for this species to occur on the Project site. The Department recommends that protocol-level surveys be performed in all areas of suitable habitat for blunt-nosed leopard lizard and that survey results be submitted to the Department. These surveys, the parameters of which were designed to optimize detectability, must be conducted to reasonably assure the Department that "take" of this fully protected species will not occur as a result of Project implementation. In the event that this species is detected during protocol-level surveys, consultation with the Department is warranted to discuss how to implement the Project and avoid "take."

Burrowing Owl: Burrowing owls could occur on or adjacent to the Project site. The Department recommends following the survey methodology developed by the California Burrowing Owl Consortium (CBOC, 1993) if the Project site contains burrows that could be used by burrowing owls. If nesting burrowing owls are found on or adjacent to the Project site, the Department recommends that impacts to occupied burrows be avoided by implementation of a no-construction buffer zone of a minimum distance of 250 feet, unless a qualified biologist approved by the Department verifies through non-invasive methods that either: 1) the birds have not begun egg laying and incubation; or 2) that juveniles from the occupied burrows are foraging independently and are capable of independent survival (DFG, 1995). Failure to implement this buffer zone could cause adult burrowing owls to abandon the nest, cause eggs or young to be directly impacted (crushed), and/or result in reproductive failure. Impacts of this nature are violations of Fish and Game Code Sections 3503, 3503.5, 3513, and the Federal Migratory Bird Treaty Act.

If the Project proposes to evict burrowing owls that may be present, the Department recommends passive relocation during the nonbreeding season. The CEQA document should describe all avoidance measures that would be employed in the event that owls are found on the Project site, as well as methods that would be used to evict owls from burrows. The



Patia Siong
November 15, 2010
Page 5

Department recommends replacement of occupied burrows with artificial burrows as mitigation for the potentially significant impact of evicting a burrowing owl.

CEQA Compliance: CEQA Guidelines Section 15378 defines "project" to mean the whole of an action that may result in either a direct or reasonably foreseeable indirect physical change in the environment. The CEQA document should adequately address all potential impacts to State-listed and other sensitive species within and adjacent to the Project site. The CEQA document should also adequately analyze for cumulative impacts for similar projects and surrounding development. If measures are required to ensure that any impacts are reduced to a less than significant level, then those measures should be included as mitigation; a Negative Declaration would not be appropriate if any avoidance, minimization, or compensation is necessary to reduce potential Project-related impacts.

If you have any questions regarding these comments, please contact Linda Connolly, Environmental Scientist, at the address provided on this letterhead, by telephone at (559) 243-4014, extension 242, or by email at lconnolly@dfg.ca.gov.

Sincerely,

Jeffrey R. Single, Ph.D.
Regional Manager

cc State Clearinghouse
 Office of Planning and Research
 Post Office Box 3044
 Sacramento, California 95812-3044

Tim Kuhn
United States Fish and
Wildlife Service
2800 Cottage Way, Room W-2605
Sacramento, California 95825-1846

Dennis Champion
Occidental of Elk Hills, Inc.
10800 Stockdale Highway
Bakersfield, California 93311



Patia Siong
November 15, 2010
Page 6

Literature Cited

CBOC, 1993. Burrowing Owl Survey Protocol and Mitigation Guidelines. California Burrowing Owl Consortium, April 1993.

DFG, 1995. Staff Report on Burrowing Owl Mitigation. California Department of Fish and Game. <http://www.dfg.ca.gov/wildlife/species/docs/burowlmit.pdf>

USFWS, 1999. Standard Recommendations for the Protection of the San Joaquin Kit Fox Prior to or During Ground Disturbance. United States Fish and Wildlife Service. http://www.fws.gov/ventura/sppinfo/protocols/sanjoaquin kitfox_protection.pdf



San Joaquin Valley

AIR POLLUTION CONTROL DISTRICT

DEC - 8 2010

Mr. Dennis Champion
Occidental of Elk Hills Inc
10800 Stockdale Hwy
Bakersfield, CA 93311

Re: Notice of Final Decision - ATC / Certificate of Conformity
Facility # S-2234
Project # 1103628

Dear Mr. Champion:

The Air Pollution Control Officer has issued Authority to Construct permits to Occidental of Elk Hills Inc for its cryogenic gas plant within the gas plant stationary source, near Tupman, CA, California. The project authorizes the installation of a new cryogenic gas plant within the existing gas plant stationary source near Tupman, CA.

Enclosed are copies of 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 with Certificate of Conformity was published on October 27, 2010. The District's analysis of the proposal was also sent to US EPA Region IX on October 21, 2010. 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, Permit Services Manager, at (661) 392-5500.

Sincerely,

David Warner
Director of Permit Services

DW: RE/cm

Enclosures

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

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



San Joaquin Valley

AIR POLLUTION CONTROL DISTRICT

DEC - 8 2010

Gerardo C. Rios, Chief
Permits Office
Air Division
U.S. EPA - Region IX
75 Hawthorne St.
San Francisco, CA 94105

Re: Notice of Final Decision - ATC / Certificate of Conformity
Facility # S-2234
Project # 1103628

Dear Mr. Rios:

The Air Pollution Control Officer has issued Authority to Construct permits to Occidental of Elk Hills Inc for its cryogenic gas plant within the gas plant stationary source, near Tupman, CA, California. The project authorizes the installation of a new cryogenic gas plant within the existing gas plant stationary source near Tupman, CA.

Enclosed are copies of 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 with Certificate of Conformity was published on October 27, 2010. The District's analysis of the proposal was also sent to CARB on October 21, 2010. 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, Permit Services Manager, at (661) 392-5500.

Thank you for your cooperation in this matter.

Sincerely,

David Warner
Director of Permit Services

DW: RE/cm

Enclosures

Seyed Sadredin

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San Joaquin Valley

AIR POLLUTION CONTROL DISTRICT

DEC - 8 2010

Mike Tollstrup, Chief
Project Assessment Branch
Air Resources Board
P O Box 2815
Sacramento, CA 95812-2815

Re: Notice of Final Decision - ATC / Certificate of Conformity
Facility # S-2234
Project # 1103628

Dear Mr. Tollstrup:

The Air Pollution Control Officer has issued Authority to Construct permits to Occidental of Elk Hills Inc for its cryogenic gas plant within the gas plant stationary source, near Tupman, CA, California. The project authorizes the installation of a new cryogenic gas plant within the existing gas plant stationary source near Tupman, CA.

Enclosed are copies of 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 with Certificate of Conformity was published on October 27, 2010. The District's analysis of the proposal was also sent to US EPA Region IX on October 21, 2010. 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, Permit Services Manager, at (661) 392-5500.

Sincerely,

A handwritten signature in black ink, appearing to read "David Warner", with a long horizontal flourish extending to the right.

David Warner
Director of Permit Services

DW: RE/cm

Enclosures

Seyed Sadredin
Executive Director/Air Pollution Control Officer

Northern Region
4800 Enterprise Way
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Bakersfield, CA 93308-9725
Tel: (661) 392-5500 FAX: (661) 392-5585

**NOTICE OF FINAL DECISION
FOR THE ISSUANCE OF AUTHORITY
TO CONSTRUCT PERMITS**

NOTICE IS HEREBY GIVEN that the Air Pollution Control Officer has issued Authority to Construct permits to Occidental of Elk Hills Inc for its cryogenic gas plant within the gas plant stationary source, near Tupman, CA, California. The project authorizes the installation of a new cryogenic gas plant within the existing gas plant stationary source near Tupman, CA.

No comments were received following the District's preliminary decision on this project.

The application review for Project # S-1103628, is available for public inspection at http://www.valleyair.org/notices/public_notices_idx.htm and the District office at the address below. **SAN JOAQUIN VALLEY AIR POLLUTION CONTROL DISTRICT, 1990 E. GETTYSBURG AVE, FRESNO, CA 93726-0244.**



San Joaquin Valley
AIR POLLUTION CONTROL DISTRICT



AUTHORITY TO CONSTRUCT

PERMIT NO: S-2234-216-0

ISSUANCE DATE: 12/02/2010

LEGAL OWNER OR OPERATOR: OCCIDENTAL OF ELK HILLS INC
MAILING ADDRESS: 10800 STOCKDALE HWY
BAKERSFIELD, CA 93311

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

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

EQUIPMENT DESCRIPTION:
INLET GAS SYSTEM WITH ELECTRIC MOTOR DRIVEN INLET GAS COMPRESSOR(S)

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 NSR Rule] 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. All equipment shall be maintained in good operating condition and shall be operated in a manner to minimize emissions of air contaminants into the atmosphere. [District NSR Rule] Federally Enforceable Through Title V Permit
4. No air contaminant shall be released into the atmosphere which causes a public nuisance. [District Rule 4102]
5. 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] Federally Enforceable Through Title V Permit
6. Particulate matter emissions shall not exceed 0.1 grains/dscf in concentration. [District Rule 4201] 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

DAVID WARNER, Director of Permit Services

S-2234-216-0 : Dec 2 2010 8:03AM - EDGEHILR : Joint Inspection NOT Required

7. 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
8. 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
9. 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
10. VOC fugitive emissions shall not exceed 2.6 lb/day. [District Rule 2201] Federally Enforceable Through Title V Permit
11. 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
12. Disturbances of soil related to any construction, demolition, excavation, extraction, or other earthmoving activities shall comply with the requirements for fugitive dust control in District Rule 8021 unless specifically exempted under Section 4.0 of Rule 8021 or Rule 8011. [District Rules 8011 and 8021] Federally Enforceable Through Title V Permit
13. An owner/operator shall submit a Dust Control Plan to the APCO prior to the start of any construction activity on any site that will include 10 acres or more of disturbed surface area for residential developments, or 5 acres or more of disturbed surface area for non-residential development, or will include moving, depositing, or relocating more than 2,500 cubic yards per day of bulk materials on at least three days. [District Rules 8011 and 8021] Federally Enforceable Through Title V Permit
14. An owner/operator shall prevent or cleanup any carryout or trackout in accordance with the requirements of District Rule 8041 Section 5.0, unless specifically exempted under Section 4.0 of Rule 8041 (8/19/04) or Rule 8011(8/19/04). [District Rules 8011 and 8021] Federally Enforceable Through Title V Permit
15. Whenever open areas are disturbed, or vehicles are used in open areas, the facility shall comply with the requirements of Section 5.0 of District Rule 8051, unless specifically exempted under Section 4.0 of Rule 8051 or Rule 8011. [District Rules 8011 and 8051] Federally Enforceable Through Title V Permit
16. Any paved road or unpaved road shall comply with the requirements of District Rule 8061 unless specifically exempted under Section 4.0 of Rule 8061 or Rule 8011. [District Rules 8011 and 8061] Federally Enforceable Through Title V Permit
17. Water, gravel, roadmix, or chemical/organic dust stabilizers/suppressants, vegetative materials, or other District-approved control measure shall be applied to unpaved vehicle travel areas as required to limit Visible Dust Emissions to 20% opacity and comply with the requirements for a stabilized unpaved road as defined in Section 3.59 of District Rule 8011. [District Rule 8011 and 8071] Federally Enforceable Through Title V Permit
18. Where dusting materials are allowed to accumulate on paved surfaces, the accumulation shall be removed daily or water and/or chemical/organic dust stabilizers/suppressants shall be applied to the paved surface as required to maintain continuous compliance with the requirements for a stabilized unpaved road as defined in Section 3.59 of District Rule 8011 and limit Visible Dust Emissions (VDE) to 20% opacity. [District Rule 8011 and 8071] Federally Enforceable Through Title V Permit

CONDITIONS CONTINUE ON NEXT PAGE

19. On each day that 50 or more Vehicle Daily Trips or 25 or more Vehicle Daily Trips with 3 axles or more will occur on an unpaved vehicle/equipment traffic area, permittee shall apply water, gravel, roadmix, or chemical/organic dust stabilizers/suppressants, vegetative materials, or other District-approved control measure as required to limit Visible Dust Emissions to 20% opacity and comply with the requirements for a stabilized unpaved road as defined in Section 3.59 of District Rule 8011. [District Rule 8011 and 8071] Federally Enforceable Through Title V Permit
20. Whenever any portion of the site becomes inactive, Permittee shall restrict access and periodically stabilize any disturbed surface to comply with the conditions for a stabilized surface as defined in Section 3.58 of District Rule 8011. [District Rules 8011 and 8071] Federally Enforceable Through Title V Permit
21. Records and other supporting documentation shall be maintained as required to demonstrate compliance with the requirements of the rules under Regulation VIII only for those days that a control measure was implemented. Such records shall include the type of control measure(s) used, the location and extent of coverage, and the date, amount, and frequency of application of dust suppressant, manufacturer's dust suppressant product information sheet that identifies the name of the dust suppressant and application instructions. Records shall be kept for one year following project completion that results in the termination of all dust generating activities. [District Rules 8011, 8031, and 8071] Federally Enforceable Through Title V Permit
22. Prior to operating equipment under this Authority to Construct, permittee shall surrender VOC emission reduction credits for the following quantity of emissions: 1st quarter - 241 lb, 2nd quarter - 241 lb, 3rd quarter - 241 lb, and fourth quarter - 241 lb. Offsets shall be provided at the applicable offset ratio specified in Table 4-2 of Rule 2201 (as amended 12/18/08). [District Rule 2201] Federally Enforceable Through Title V Permit
23. ERC Certificate Number S-2822-1 (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
24. 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] Federally Enforceable Through Title V Permit



San Joaquin Valley
AIR POLLUTION CONTROL DISTRICT



AUTHORITY TO CONSTRUCT

PERMIT NO: S-2234-217-0

ISSUANCE DATE: 12/02/2010

LEGAL OWNER OR OPERATOR: OCCIDENTAL OF ELK HILLS INC

MAILING ADDRESS: 10800 STOCKDALE HWY
BAKERSFIELD, CA 93311

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

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

EQUIPMENT DESCRIPTION:

MERCURY REMOVAL SYSTEM WITH INLET GAS FILTER SEPARATOR, MERCURY GUARD BED

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 NSR Rule] 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. All equipment shall be maintained in good operating condition and shall be operated in a manner to minimize emissions of air contaminants into the atmosphere. [District NSR Rule] Federally Enforceable Through Title V Permit
4. No air contaminant shall be released into the atmosphere which causes a public nuisance. [District Rule 4102] Federally Enforceable Through Title V Permit
5. 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] Federally Enforceable Through Title V Permit
6. Particulate matter emissions shall not exceed 0.1 grains/dscf in concentration. [District Rule 4201] 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

DAVID WARNER, Director of Permit Services

S-2234-217-0 : Dec 27 2010 8:03AM - EDGEHLR : Joint Inspection NOT Required

7. 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
8. 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
9. 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
10. VOC fugitive emissions shall not exceed 0.2 lb/day. [District Rule 2201] Federally Enforceable Through Title V Permit
11. 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
12. Disturbances of soil related to any construction, demolition, excavation, extraction, or other earthmoving activities shall comply with the requirements for fugitive dust control in District Rule 8021 unless specifically exempted under Section 4.0 of Rule 8021 or Rule 8011. [District Rules 8011 and 8021] Federally Enforceable Through Title V Permit
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17. Water, gravel, roadmix, or chemical/organic dust stabilizers/suppressants, vegetative materials, or other District-approved control measure shall be applied to unpaved vehicle travel areas as required to limit Visible Dust Emissions to 20% opacity and comply with the requirements for a stabilized unpaved road as defined in Section 3.59 of District Rule 8011. [District Rule 8011 and 8071] Federally Enforceable Through Title V Permit
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CONDITIONS CONTINUE ON NEXT PAGE

19. On each day that 50 or more Vehicle Daily Trips or 25 or more Vehicle Daily Trips with 3 axles or more will occur on an unpaved vehicle/equipment traffic area, permittee shall apply water, gravel, roadmix, or chemical/organic dust stabilizers/suppressants, vegetative materials, or other District-approved control measure as required to limit Visible Dust Emissions to 20% opacity and comply with the requirements for a stabilized unpaved road as defined in Section 3.59 of District Rule 8011. [District Rule 8011 and 8071] Federally Enforceable Through Title V Permit
20. Whenever any portion of the site becomes inactive, Permittee shall restrict access and periodically stabilize any disturbed surface to comply with the conditions for a stabilized surface as defined in Section 3.58 of District Rule 8011. [District Rules 8011 and 8071] Federally Enforceable Through Title V Permit
21. Records and other supporting documentation shall be maintained as required to demonstrate compliance with the requirements of the rules under Regulation VIII only for those days that a control measure was implemented. Such records shall include the type of control measure(s) used, the location and extent of coverage, and the date, amount, and frequency of application of dust suppressant, manufacturer's dust suppressant product information sheet that identifies the name of the dust suppressant and application instructions. Records shall be kept for one year following project completion that results in the termination of all dust generating activities. [District Rules 8011, 8031, and 8071] Federally Enforceable Through Title V Permit
22. 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] Federally Enforceable Through Title V Permit



San Joaquin Valley
AIR POLLUTION CONTROL DISTRICT



AUTHORITY TO CONSTRUCT

PERMIT NO: S-2234-218-0

ISSUANCE DATE: 12/02/2010

LEGAL OWNER OR OPERATOR: OCCIDENTAL OF ELK HILLS INC
MAILING ADDRESS: 10800 STOCKDALE HWY
BAKERSFIELD, CA 93311

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

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

EQUIPMENT DESCRIPTION:

O2 REMOVAL SYSTEM WITH 19.5 MMBTU/HR O2 HEATER WITH COEN C-RMB RAPID MIX ULTRA LOW NOX BURNER (OR EQUIVALENT), OXYGEN REMOVAL REACTOR, OXYGEN REMOVAL DISCHARGE COOLER AND SCRUBBER AND O2 REMOVAL COOLER

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 NSR Rule] 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. The permittee shall obtain written District approval for the use of any equivalent equipment not specifically approved by this Authority to Construct. Approval of the equivalent equipment shall be made only after the District's determination that the submitted design and performance of the proposed alternate equipment is equivalent to the specifically authorized equipment. [District Rule 2201] Federally Enforceable Through Title V Permit
4. The permittee's request for approval of equivalent equipment shall include the make, model, manufacturer's maximum rating, manufacturer's guaranteed emission rates, equipment drawing(s), and operational characteristics/parameters. [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.

Sayed Sadredin, Executive Director / APCO

DAVID WARNER, Director of Permit Services
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5. Alternate equipment shall be of the same class and category of source as the equipment authorized by the Authority to Construct. [District Rule 2201] Federally Enforceable Through Title V Permit
6. No emission factor and no emission shall be greater for the alternate equipment than for the proposed equipment. No changes in the hours of operation, operating rate, throughput, or firing rate may be authorized for any alternate equipment. [District Rule 2201] Federally Enforceable Through Title V Permit
7. All equipment shall be maintained in good operating condition and shall be operated in a manner to minimize emissions of air contaminants into the atmosphere. [District NSR Rule] Federally Enforceable Through Title V Permit
8. No air contaminant shall be released into the atmosphere which causes a public nuisance. [District Rule 4102]
9. 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] Federally Enforceable Through Title V Permit
10. Particulate matter emissions shall not exceed 0.1 grains/dscf in concentration. [District Rule 4201] Federally Enforceable Through Title V Permit
11. 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
12. 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
13. 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
14. VOC fugitive emissions shall not exceed 0.2 lb/day. [District Rule 2201] Federally Enforceable Through Title V Permit
15. O2 removal heater shall only be fired on PUC-quality natural gas. [District Rule 2201] Federally Enforceable Through Title V Permit
16. Emissions from the natural gas-fired unit shall not exceed any of the following limits: 6 ppmvd NO_x @ 3% O₂ or 0.007 lb-NO_x/MMBtu, 0.00285 lb-SO_x/MMBtu, 0.0076 lb-PM₁₀/MMBtu, 50 ppmvd CO @ 3% O₂ or 0.037 lb-CO/MMBtu, or 0.0055 lb-VOC/MMBtu. [District Rules 2201, 4305, 4306, and 4320] Federally Enforceable Through Title V Permit
17. All emissions measurements shall be made with the unit operating either at conditions representative of normal operations or conditions specified in the Permit to Operate. No determination of compliance shall be established within two hours after a continuous period in which fuel flow to the unit is shut off for 30 minutes or longer, or within 30 minutes after a re-ignition as defined in Section 3.0 of District Rule 4306. [District Rules 4305, 4306, and 4320] Federally Enforceable Through Title V Permit
18. Source testing to measure NO_x and CO emissions from this unit while fired on natural gas shall be conducted within 60 days of initial start-up. [District Rules 2201, 4305, 4306, and 4320] Federally Enforceable Through Title V Permit
19. Source testing to measure NO_x and CO emissions from this unit while fired on natural gas shall be conducted at least once every twelve (12) months. After demonstrating compliance on two (2) consecutive annual source tests, the unit shall be tested not less than once every thirty-six (36) months. If the result of the 36-month source test demonstrates that the unit does not meet the applicable emission limits, the source testing frequency shall revert to at least once every twelve (12) months. [District Rules 4305, 4306, and 4320] Federally Enforceable Through Title V Permit

CONDITIONS CONTINUE ON NEXT PAGE

20. The source test plan shall identify which basis (ppmv or lb/MMBtu) will be used to demonstrate compliance. [District Rules 4305, 4306, and 4320] Federally Enforceable Through Title V Permit
21. Source testing shall be conducted using the methods and procedures approved by the District. The District must be notified at least 30 days prior to any compliance source test, and a source test plan must be submitted for approval at least 15 days prior to testing. [District Rule 1081] Federally Enforceable Through Title V Permit
22. NOx emissions for source test purposes shall be determined using EPA Method 7E or ARB Method 100 on a ppmv basis, or EPA Method 19 on a heat input basis. [District Rules 4305, 4306, and 4320] Federally Enforceable Through Title V Permit
23. CO emissions for source test purposes shall be determined using EPA Method 10 or ARB Method 100. [District Rules 4305, 4306, and 4320] Federally Enforceable Through Title V Permit
24. Stack gas oxygen (O2) shall be determined using EPA Method 3 or 3A or ARB Method 100. [District Rules 4305, 4306, and 4320] Federally Enforceable Through Title V Permit
25. For emissions source testing, the arithmetic average of three 30-consecutive-minute test runs shall apply. If two of three runs are above an applicable limit the test cannot be used to demonstrate compliance with an applicable limit. [District Rules 4305, 4306, and 4320] Federally Enforceable Through Title V Permit
26. The results of each source test shall be submitted to the District within 60 days thereafter. [District Rule 1081] Federally Enforceable Through Title V Permit
27. The permittee shall monitor and record the stack concentration of NOx, CO, and O2 at least once every month (in which a source test is not performed) using a portable emission monitor that meets District specifications. Monitoring shall not be required if the unit is not in operation, i.e. the unit need not be started solely to perform monitoring. Monitoring shall be performed within 5 days of restarting the unit unless monitoring has been performed within the last month. [District Rules 4305, 4306, and 4320] Federally Enforceable Through Title V Permit
28. If either the NOx or CO concentrations corrected to 3% O2, as measured by the portable analyzer, exceed the allowable emissions concentration, the permittee shall return the emissions to within the acceptable range as soon as possible, but no longer than 1 hour of operation after detection. If the portable analyzer readings continue to exceed the allowable emissions concentration after 1 hour of operation after detection, the permittee shall notify the District within the following 1 hour and conduct a certified source test within 60 days of the first exceedance. In lieu of conducting a source test, the permittee may stipulate a violation has occurred, subject to enforcement action. The permittee must then correct the violation, show compliance has been re-established, and resume monitoring procedures. If the deviations are the result of a qualifying breakdown condition pursuant to Rule 1100, the permittee may fully comply with Rule 1100 in lieu of the performing the notification and testing required by this condition. [District Rules 4305, 4306, and 4320] Federally Enforceable Through Title V Permit
29. All alternate monitoring parameter emission readings shall be taken with the unit operating either at conditions representative of normal operations or conditions specified in the Permit to Operate. The analyzer shall be calibrated, maintained, and operated in accordance with the manufacturer's specifications and recommendations or a protocol approved by the APCO. Emission readings taken shall be averaged over a 15 consecutive-minute period by either taking a cumulative 15 consecutive-minute sample reading or by taking at least five (5) readings, evenly spaced out over the 15 consecutive-minute period. [District Rules 4305, 4306, and 4320] Federally Enforceable Through Title V Permit
30. The permittee shall maintain records of: (1) the date and time of NOx, CO, and O2 measurements, (2) the O2 concentration in percent and the measured NOx and CO concentrations corrected to 3% O2, (3) make and model of exhaust gas analyzer, (4) exhaust gas analyzer calibration records, and (5) a description of any corrective action taken to maintain the emissions within the acceptable range. [District Rules 4305, 4306, and 4320] Federally Enforceable Through Title V Permit
31. 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

CONDITIONS CONTINUE ON NEXT PAGE

32. Disturbances of soil related to any construction, demolition, excavation, extraction, or other earthmoving activities shall comply with the requirements for fugitive dust control in District Rule 8021 unless specifically exempted under Section 4.0 of Rule 8021 or Rule 8011. [District Rules 8011 and 8021] Federally Enforceable Through Title V Permit
33. An owner/operator shall submit a Dust Control Plan to the APCO prior to the start of any construction activity on any site that will include 10 acres or more of disturbed surface area for residential developments, or 5 acres or more of disturbed surface area for non-residential development, or will include moving, depositing, or relocating more than 2,500 cubic yards per day of bulk materials on at least three days. [District Rules 8011 and 8021] Federally Enforceable Through Title V Permit
34. An owner/operator shall prevent or cleanup any carryout or trackout in accordance with the requirements of District Rule 8041 Section 5.0, unless specifically exempted under Section 4.0 of Rule 8041 (8/19/04) or Rule 8011(8/19/04). [District Rules 8011 and 8021] Federally Enforceable Through Title V Permit
35. Whenever open areas are disturbed, or vehicles are used in open areas, the facility shall comply with the requirements of Section 5.0 of District Rule 8051, unless specifically exempted under Section 4.0 of Rule 8051 or Rule 8011. [District Rules 8011 and 8051] Federally Enforceable Through Title V Permit
36. Any paved road or unpaved road shall comply with the requirements of District Rule 8061 unless specifically exempted under Section 4.0 of Rule 8061 or Rule 8011. [District Rules 8011 and 8061] Federally Enforceable Through Title V Permit
37. Water, gravel, roadmix, or chemical/organic dust stabilizers/suppressants, vegetative materials, or other District-approved control measure shall be applied to unpaved vehicle travel areas as required to limit Visible Dust Emissions to 20% opacity and comply with the requirements for a stabilized unpaved road as defined in Section 3.59 of District Rule 8011. [District Rule 8011 and 8071] Federally Enforceable Through Title V Permit
38. Where dusting materials are allowed to accumulate on paved surfaces, the accumulation shall be removed daily or water and/or chemical/organic dust stabilizers/suppressants shall be applied to the paved surface as required to maintain continuous compliance with the requirements for a stabilized unpaved road as defined in Section 3.59 of District Rule 8011 and limit Visible Dust Emissions (VDE) to 20% opacity. [District Rule 8011 and 8071] Federally Enforceable Through Title V Permit
39. On each day that 50 or more Vehicle Daily Trips or 25 or more Vehicle Daily Trips with 3 axles or more will occur on an unpaved vehicle/equipment traffic area, permittee shall apply water, gravel, roadmix, or chemical/organic dust stabilizers/suppressants, vegetative materials, or other District-approved control measure as required to limit Visible Dust Emissions to 20% opacity and comply with the requirements for a stabilized unpaved road as defined in Section 3.59 of District Rule 8011. [District Rule 8011 and 8071] Federally Enforceable Through Title V Permit
40. Whenever any portion of the site becomes inactive, Permittee shall restrict access and periodically stabilize any disturbed surface to comply with the conditions for a stabilized surface as defined in Section 3.58 of District Rule 8011. [District Rules 8011 and 8071] Federally Enforceable Through Title V Permit
41. Records and other supporting documentation shall be maintained as required to demonstrate compliance with the requirements of the rules under Regulation VIII only for those days that a control measure was implemented. Such records shall include the type of control measure(s) used, the location and extent of coverage, and the date, amount, and frequency of application of dust suppressant, manufacturer's dust suppressant product information sheet that identifies the name of the dust suppressant and application instructions. Records shall be kept for one year following project completion that results in the termination of all dust generating activities. [District Rules 8011, 8031, and 8071] Federally Enforceable Through Title V Permit
42. All records shall be maintained and retained on-site for a minimum of five (5) years, and shall be made available for District inspection upon request. [District Rules 1070, 4305, 4306, and 40 CFR 60.48c(i)] Federally Enforceable Through Title V Permit
43. Prior to operating under this Authority to Construct, permittee shall surrender emission reduction credits for the following quantities of emissions: NOx, 299 lb/quarter; SOx, 115 lb/quarter; PM10, 325 lb/quarter; VOC, 259 lb/quarter. Offset shall be provided at the applicable offset ratio specified in Table 4-2 of Rule 2201 (as amended 12/18/08). Offsets for PM10 shall be provided at a SOx:PM10 interpollutant ratio of 1.0:1. [District Rule 2201] Federally Enforceable Through Title V Permit

CONDITIONS CONTINUE ON NEXT PAGE

44. ERC Certificate Numbers S-2824-2 (NO_x), N-771-5 (SO_x), N-771-5 (PM₁₀), S-2822-1 (VOC), (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



San Joaquin Valley
AIR POLLUTION CONTROL DISTRICT



AUTHORITY TO CONSTRUCT

PERMIT NO: S-2234-219-0

ISSUANCE DATE: 12/02/2010

LEGAL OWNER OR OPERATOR: OCCIDENTAL OF ELK HILLS INC
MAILING ADDRESS: 10800 STOCKDALE HWY
BAKERSFIELD, CA 93311

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

SECTION: NW35 TOWNSHIP: 30S RANGE: 23E

EQUIPMENT DESCRIPTION:

INLET GAS TREATING WITH INLET GAS AMINE CONTACTOR, TREATED GAS COOLER, LEAN GLYCOL COOLER, TREATED GAS FILTER SEPARATOR

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 NSR Rule] 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. All equipment shall be maintained in good operating condition and shall be operated in a manner to minimize emissions of air contaminants into the atmosphere. [District NSR Rule] Federally Enforceable Through Title V Permit
4. No air contaminant shall be released into the atmosphere which causes a public nuisance. [District Rule 4102]
5. 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]
6. Particulate matter emissions shall not exceed 0.1 grains/dscf in concentration. [District Rule 4201] 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.

Sayed Sadredin, Executive Director / APCO


DAVID WARNER, Director of Permit Services
S-2234-219-0 : Dec 2 2010 8:03AM - EDOEHILR : Joint Inspection NOT Required

7. 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
8. 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
9. 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
10. VOC fugitive emissions shall not exceed 0.6 lb/day. [District Rule 2201] Federally Enforceable Through Title V Permit
11. 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
12. Disturbances of soil related to any construction, demolition, excavation, extraction, or other earthmoving activities shall comply with the requirements for fugitive dust control in District Rule 8021 unless specifically exempted under Section 4.0 of Rule 8021 or Rule 8011. [District Rules 8011 and 8021] Federally Enforceable Through Title V Permit
13. An owner/operator shall submit a Dust Control Plan to the APCO prior to the start of any construction activity on any site that will include 10 acres or more of disturbed surface area for residential developments, or 5 acres or more of disturbed surface area for non-residential development, or will include moving, depositing, or relocating more than 2,500 cubic yards per day of bulk materials on at least three days. [District Rules 8011 and 8021] Federally Enforceable Through Title V Permit
14. An owner/operator shall prevent or cleanup any carryout or trackout in accordance with the requirements of District Rule 8041 Section 5.0, unless specifically exempted under Section 4.0 of Rule 8041 (8/19/04) or Rule 8011(8/19/04). [District Rules 8011 and 8021] Federally Enforceable Through Title V Permit
15. Whenever open areas are disturbed, or vehicles are used in open areas, the facility shall comply with the requirements of Section 5.0 of District Rule 8051, unless specifically exempted under Section 4.0 of Rule 8051 or Rule 8011. [District Rules 8011 and 8051] Federally Enforceable Through Title V Permit
16. Any paved road or unpaved road shall comply with the requirements of District Rule 8061 unless specifically exempted under Section 4.0 of Rule 8061 or Rule 8011. [District Rules 8011 and 8061] Federally Enforceable Through Title V Permit
17. Water, gravel, roadmix, or chemical/organic dust stabilizers/suppressants, vegetative materials, or other District-approved control measure shall be applied to unpaved vehicle travel areas as required to limit Visible Dust Emissions to 20% opacity and comply with the requirements for a stabilized unpaved road as defined in Section 3.59 of District Rule 8011. [District Rule 8011 and 8071] Federally Enforceable Through Title V Permit
18. Where dusting materials are allowed to accumulate on paved surfaces, the accumulation shall be removed daily or water and/or chemical/organic dust stabilizers/suppressants shall be applied to the paved surface as required to maintain continuous compliance with the requirements for a stabilized unpaved road as defined in Section 3.59 of District Rule 8011 and limit Visible Dust Emissions (VDE) to 20% opacity. [District Rule 8011 and 8071] Federally Enforceable Through Title V Permit

CONDITIONS CONTINUE ON NEXT PAGE

19. On each day that 50 or more Vehicle Daily Trips or 25 or more Vehicle Daily Trips with 3 axles or more will occur on an unpaved vehicle/equipment traffic area, permittee shall apply water, gravel, roadmix, or chemical/organic dust stabilizers/suppressants, vegetative materials, or other District-approved control measure as required to limit Visible Dust Emissions to 20% opacity and comply with the requirements for a stabilized unpaved road as defined in Section 3.59 of District Rule 8011. [District Rule 8011 and 8071] Federally Enforceable Through Title V Permit
20. Whenever any portion of the site becomes inactive, Permittee shall restrict access and periodically stabilize any disturbed surface to comply with the conditions for a stabilized surface as defined in Section 3.58 of District Rule 8011. [District Rules 8011 and 8071] Federally Enforceable Through Title V Permit
21. Records and other supporting documentation shall be maintained as required to demonstrate compliance with the requirements of the rules under Regulation VIII only for those days that a control measure was implemented. Such records shall include the type of control measure(s) used, the location and extent of coverage, and the date, amount, and frequency of application of dust suppressant, manufacturer's dust suppressant product information sheet that identifies the name of the dust suppressant and application instructions. Records shall be kept for one year following project completion that results in the termination of all dust generating activities. [District Rules 8011, 8031, and 8071] Federally Enforceable Through Title V Permit
22. Prior to operating equipment under this Authority to Construct, permittee shall surrender VOC emission reduction credits for the following quantity of emissions: 1st quarter - 52 lb, 2nd quarter - 52 lb, 3rd quarter - 52 lb, and fourth quarter - 52 lb. Offsets shall be provided at the applicable offset ratio specified in Table 4-2 of Rule 2201 (as amended 12/18/08). [District Rule 2201] Federally Enforceable Through Title V Permit
23. ERC Certificate Number S-2822-1 (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
24. 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] Federally Enforceable Through Title V Permit



San Joaquin Valley
AIR POLLUTION CONTROL DISTRICT



AUTHORITY TO CONSTRUCT

PERMIT NO: S-2234-220-0

ISSUANCE DATE: 12/02/2010

LEGAL OWNER OR OPERATOR: OCCIDENTAL OF ELK HILLS INC
MAILING ADDRESS: 10800 STOCKDALE HWY
BAKERSFIELD, CA 93311

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

SECTION: NW35 TOWNSHIP: 30S RANGE: 23E

EQUIPMENT DESCRIPTION:

INLET GAS DEHYDRATION WITH MOLECULAR SIEVE DEHYDRATION, DRY GAS DUST FILTER, REGENERATION GAS HEATER, REGENERATION GAS COOLER AND SCRUBBER, AND REGENERATION GAS COOLER

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 NSR Rule] 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. All equipment shall be maintained in good operating condition and shall be operated in a manner to minimize emissions of air contaminants into the atmosphere. [District NSR Rule] Federally Enforceable Through Title V Permit
4. No air contaminant shall be released into the atmosphere which causes a public nuisance. [District Rule 4102]
5. 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] Federally Enforceable Through Title V Permit
6. Particulate matter emissions shall not exceed 0.1 grains/dscf in concentration. [District Rule 4201] Federally Enforceable Through Title V Permit

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Seyed Sadredin, Executive Director / APCO

DAVID WARNER, Director of Permit Services

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7. 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
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9. 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
10. VOC fugitive emissions shall not exceed 0.4 lb/day. [District Rule 2201] Federally Enforceable Through Title V Permit
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13. An owner/operator shall submit a Dust Control Plan to the APCO prior to the start of any construction activity on any site that will include 10 acres or more of disturbed surface area for residential developments, or 5 acres or more of disturbed surface area for non-residential development, or will include moving, depositing, or relocating more than 2,500 cubic yards per day of bulk materials on at least three days. [District Rules 8011 and 8021] Federally Enforceable Through Title V Permit
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16. Any paved road or unpaved road shall comply with the requirements of District Rule 8061 unless specifically exempted under Section 4.0 of Rule 8061 or Rule 8011. [District Rules 8011 and 8061] Federally Enforceable Through Title V Permit
17. Water, gravel, roadmix, or chemical/organic dust stabilizers/suppressants, vegetative materials, or other District-approved control measure shall be applied to unpaved vehicle travel areas as required to limit Visible Dust Emissions to 20% opacity and comply with the requirements for a stabilized unpaved road as defined in Section 3.59 of District Rule 8011. [District Rule 8011 and 8071] Federally Enforceable Through Title V Permit
18. Where dusting materials are allowed to accumulate on paved surfaces, the accumulation shall be removed daily or water and/or chemical/organic dust stabilizers/suppressants shall be applied to the paved surface as required to maintain continuous compliance with the requirements for a stabilized unpaved road as defined in Section 3.59 of District Rule 8011 and limit Visible Dust Emissions (VDE) to 20% opacity. [District Rule 8011 and 8071] Federally Enforceable Through Title V Permit

CONDITIONS CONTINUE ON NEXT PAGE

19. On each day that 50 or more Vehicle Daily Trips or 25 or more Vehicle Daily Trips with 3 axles or more will occur on an unpaved vehicle/equipment traffic area, permittee shall apply water, gravel, roadmix, or chemical/organic dust stabilizers/suppressants, vegetative materials, or other District-approved control measure as required to limit Visible Dust Emissions to 20% opacity and comply with the requirements for a stabilized unpaved road as defined in Section 3.59 of District Rule 8011. [District Rule 8011 and 8071] Federally Enforceable Through Title V Permit
20. Whenever any portion of the site becomes inactive, Permittee shall restrict access and periodically stabilize any disturbed surface to comply with the conditions for a stabilized surface as defined in Section 3.58 of District Rule 8011. [District Rules 8011 and 8071] Federally Enforceable Through Title V Permit
21. Records and other supporting documentation shall be maintained as required to demonstrate compliance with the requirements of the rules under Regulation VIII only for those days that a control measure was implemented. Such records shall include the type of control measure(s) used, the location and extent of coverage, and the date, amount, and frequency of application of dust suppressant, manufacturer's dust suppressant product information sheet that identifies the name of the dust suppressant and application instructions. Records shall be kept for one year following project completion that results in the termination of all dust generating activities. [District Rules 8011, 8031, and 8071] Federally Enforceable Through Title V Permit
22. 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] Federally Enforceable Through Title V Permit



San Joaquin Valley
AIR POLLUTION CONTROL DISTRICT



AUTHORITY TO CONSTRUCT

PERMIT NO: S-2234-221-0

ISSUANCE DATE: 12/02/2010

LEGAL OWNER OR OPERATOR: OCCIDENTAL OF ELK HILLS INC
MAILING ADDRESS: 10800 STOCKDALE HWY
BAKERSFIELD, CA 93311

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

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

EQUIPMENT DESCRIPTION:

NGL RECOVERY WITH EXPANDER/BOOSTER COMPRESSOR, GAS/GAS EXCHANGER, COLD SEPARATOR, DEMETHANIZER REBOILERS, DEMETHANIZER, AND DEETHANIZER FEED PUMPS

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 NSR Rule] 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. All equipment shall be maintained in good operating condition and shall be operated in a manner to minimize emissions of air contaminants into the atmosphere. [District NSR Rule] Federally Enforceable Through Title V Permit
4. No air contaminant shall be released into the atmosphere which causes a public nuisance. [District Rule 4102]
5. 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] Federally Enforceable Through Title V Permit
6. Particulate matter emissions shall not exceed 0.1 grains/dscf in concentration. [District Rule 4201] 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


DAVID WARNER, Director of Permit Services
S-2234-221-0 : Dec 2 2010 8:03AM - EDGEHILL : Joint Inspection NOT Required

7. 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
8. 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
9. 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
10. VOC fugitive emissions shall not exceed 0.5 lb/day. [District Rule 2201] Federally Enforceable Through Title V Permit
11. 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
12. Disturbances of soil related to any construction, demolition, excavation, extraction, or other earthmoving activities shall comply with the requirements for fugitive dust control in District Rule 8021 unless specifically exempted under Section 4.0 of Rule 8021 or Rule 8011. [District Rules 8011 and 8021] Federally Enforceable Through Title V Permit
13. An owner/operator shall submit a Dust Control Plan to the APCO prior to the start of any construction activity on any site that will include 10 acres or more of disturbed surface area for residential developments, or 5 acres or more of disturbed surface area for non-residential development, or will include moving, depositing, or relocating more than 2,500 cubic yards per day of bulk materials on at least three days. [District Rules 8011 and 8021] Federally Enforceable Through Title V Permit
14. An owner/operator shall prevent or cleanup any carryout or trackout in accordance with the requirements of District Rule 8041 Section 5.0, unless specifically exempted under Section 4.0 of Rule 8041 (8/19/04) or Rule 8011(8/19/04). [District Rules 8011 and 8021] Federally Enforceable Through Title V Permit
15. Whenever open areas are disturbed, or vehicles are used in open areas, the facility shall comply with the requirements of Section 5.0 of District Rule 8051, unless specifically exempted under Section 4.0 of Rule 8051 or Rule 8011. [District Rules 8011 and 8051] Federally Enforceable Through Title V Permit
16. Any paved road or unpaved road shall comply with the requirements of District Rule 8061 unless specifically exempted under Section 4.0 of Rule 8061 or Rule 8011. [District Rules 8011 and 8061] Federally Enforceable Through Title V Permit
17. Water, gravel, roadmix, or chemical/organic dust stabilizers/suppressants, vegetative materials, or other District-approved control measure shall be applied to unpaved vehicle travel areas as required to limit Visible Dust Emissions to 20% opacity and comply with the requirements for a stabilized unpaved road as defined in Section 3.59 of District Rule 8011. [District Rule 8011 and 8071] Federally Enforceable Through Title V Permit
18. Where dusting materials are allowed to accumulate on paved surfaces, the accumulation shall be removed daily or water and/or chemical/organic dust stabilizers/suppressants shall be applied to the paved surface as required to maintain continuous compliance with the requirements for a stabilized unpaved road as defined in Section 3.59 of District Rule 8011 and limit Visible Dust Emissions (VDE) to 20% opacity. [District Rule 8011 and 8071] Federally Enforceable Through Title V Permit

CONDITIONS CONTINUE ON NEXT PAGE

19. On each day that 50 or more Vehicle Daily Trips or 25 or more Vehicle Daily Trips with 3 axles or more will occur on an unpaved vehicle/equipment traffic area, permittee shall apply water, gravel, roadmix, or chemical/organic dust stabilizers/suppressants, vegetative materials, or other District-approved control measure as required to limit Visible Dust Emissions to 20% opacity and comply with the requirements for a stabilized unpaved road as defined in Section 3.59 of District Rule 8011. [District Rule 8011 and 8071] Federally Enforceable Through Title V Permit
20. Whenever any portion of the site becomes inactive, Permittee shall restrict access and periodically stabilize any disturbed surface to comply with the conditions for a stabilized surface as defined in Section 3.58 of District Rule 8011. [District Rules 8011 and 8071] Federally Enforceable Through Title V Permit
21. Records and other supporting documentation shall be maintained as required to demonstrate compliance with the requirements of the rules under Regulation VIII only for those days that a control measure was implemented. Such records shall include the type of control measure(s) used, the location and extent of coverage, and the date, amount, and frequency of application of dust suppressant, manufacturer's dust suppressant product information sheet that identifies the name of the dust suppressant and application instructions. Records shall be kept for one year following project completion that results in the termination of all dust generating activities. [District Rules 8011, 8031, and 8071] Federally Enforceable Through Title V Permit
22. 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] Federally Enforceable Through Title V Permit



San Joaquin Valley
AIR POLLUTION CONTROL DISTRICT



AUTHORITY TO CONSTRUCT

PERMIT NO: S-2234-222-0

ISSUANCE DATE: 12/02/2010

LEGAL OWNER OR OPERATOR: OCCIDENTAL OF ELK HILLS INC
MAILING ADDRESS: 10800 STOCKDALE HWY
BAKERSFIELD, CA 93311

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

SECTION: NW35 TOWNSHIP: 30S RANGE: 23E

EQUIPMENT DESCRIPTION:

RESIDUE GAS COMPRESSION WITH ELECTRIC MOTOR DRIVEN RESIDUE GAS COMPRESSOR(S), RESIDUE GAS COALESCER(S)

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 NSR Rule] 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. All equipment shall be maintained in good operating condition and shall be operated in a manner to minimize emissions of air contaminants into the atmosphere. [District NSR Rule] Federally Enforceable Through Title V Permit
4. No air contaminant shall be released into the atmosphere which causes a public nuisance. [District Rule 4102]
5. 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]
6. Particulate matter emissions shall not exceed 0.1 grains/dscf in concentration. [District Rule 4201] 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

DAVID WARNER, Director of Permit Services

S-2234-222-0 : Dec 2 2010 8:03AM - EDGEHILR : Joint Inspection NOT Required

7. 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
8. 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
9. 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
10. VOC fugitive emissions shall not exceed 0.2 lb/day. [District Rule 2201] Federally Enforceable Through Title V Permit
11. 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
12. Disturbances of soil related to any construction, demolition, excavation, extraction, or other earthmoving activities shall comply with the requirements for fugitive dust control in District Rule 8021 unless specifically exempted under Section 4.0 of Rule 8021 or Rule 8011. [District Rules 8011 and 8021] Federally Enforceable Through Title V Permit
13. An owner/operator shall submit a Dust Control Plan to the APCO prior to the start of any construction activity on any site that will include 10 acres or more of disturbed surface area for residential developments, or 5 acres or more of disturbed surface area for non-residential development, or will include moving, depositing, or relocating more than 2,500 cubic yards per day of bulk materials on at least three days. [District Rules 8011 and 8021] Federally Enforceable Through Title V Permit
14. An owner/operator shall prevent or cleanup any carryout or trackout in accordance with the requirements of District Rule 8041 Section 5.0, unless specifically exempted under Section 4.0 of Rule 8041 (8/19/04) or Rule 8011(8/19/04). [District Rules 8011 and 8021] Federally Enforceable Through Title V Permit
15. Whenever open areas are disturbed, or vehicles are used in open areas, the facility shall comply with the requirements of Section 5.0 of District Rule 8051, unless specifically exempted under Section 4.0 of Rule 8051 or Rule 8011. [District Rules 8011 and 8051] Federally Enforceable Through Title V Permit
16. Any paved road or unpaved road shall comply with the requirements of District Rule 8061 unless specifically exempted under Section 4.0 of Rule 8061 or Rule 8011. [District Rules 8011 and 8061] Federally Enforceable Through Title V Permit
17. Water, gravel, roadmix, or chemical/organic dust stabilizers/suppressants, vegetative materials, or other District-approved control measure shall be applied to unpaved vehicle travel areas as required to limit Visible Dust Emissions to 20% opacity and comply with the requirements for a stabilized unpaved road as defined in Section 3.59 of District Rule 8011. [District Rule 8011 and 8071] Federally Enforceable Through Title V Permit
18. Where dusting materials are allowed to accumulate on paved surfaces, the accumulation shall be removed daily or water and/or chemical/organic dust stabilizers/suppressants shall be applied to the paved surface as required to maintain continuous compliance with the requirements for a stabilized unpaved road as defined in Section 3.59 of District Rule 8011 and limit Visible Dust Emissions (VDE) to 20% opacity. [District Rule 8011 and 8071] Federally Enforceable Through Title V Permit

CONDITIONS CONTINUE ON NEXT PAGE

19. On each day that 50 or more Vehicle Daily Trips or 25 or more Vehicle Daily Trips with 3 axles or more will occur on an unpaved vehicle/equipment traffic area, permittee shall apply water, gravel, roadmix, or chemical/organic dust stabilizers/suppressants, vegetative materials, or other District-approved control measure as required to limit Visible Dust Emissions to 20% opacity and comply with the requirements for a stabilized unpaved road as defined in Section 3.59 of District Rule 8011. [District Rule 8011 and 8071] Federally Enforceable Through Title V Permit
20. Whenever any portion of the site becomes inactive, Permittee shall restrict access and periodically stabilize any disturbed surface to comply with the conditions for a stabilized surface as defined in Section 3.58 of District Rule 8011. [District Rules 8011 and 8071] Federally Enforceable Through Title V Permit
21. Records and other supporting documentation shall be maintained as required to demonstrate compliance with the requirements of the rules under Regulation VIII only for those days that a control measure was implemented. Such records shall include the type of control measure(s) used, the location and extent of coverage, and the date, amount, and frequency of application of dust suppressant, manufacturer's dust suppressant product information sheet that identifies the name of the dust suppressant and application instructions. Records shall be kept for one year following project completion that results in the termination of all dust generating activities. [District Rules 8011, 8031, and 8071] Federally Enforceable Through Title V Permit
22. 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] Federally Enforceable Through Title V Permit



San Joaquin Valley
AIR POLLUTION CONTROL DISTRICT



HEALTHY AIR LIVING™

AUTHORITY TO CONSTRUCT

PERMIT NO: S-2234-223-0

ISSUANCE DATE: 12/02/2010

LEGAL OWNER OR OPERATOR: OCCIDENTAL OF ELK HILLS INC
MAILING ADDRESS: 10800 STOCKDALE HWY
BAKERSFIELD, CA 93311

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

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

EQUIPMENT DESCRIPTION:
DEETHANIZER WITH REFLUX CONDENSER

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 NSR Rule] 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. All equipment shall be maintained in good operating condition and shall be operated in a manner to minimize emissions of air contaminants into the atmosphere. [District NSR Rule] Federally Enforceable Through Title V Permit
4. No air contaminant shall be released into the atmosphere which causes a public nuisance. [District Rule 4102]
5. 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] Federally Enforceable Through Title V Permit
6. Particulate matter emissions shall not exceed 0.1 grains/dscf in concentration. [District Rule 4201] 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.

Sayed Sadredin, Executive Director / APCO

DAVID WARNER, Director of Permit Services

S-2234-223-0 : Dec 2 2010 8:03AM - EDGEHILL : Joint Inspection NOT Required

7. 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
8. 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
9. 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
10. VOC fugitive emissions shall not exceed 0.1 lb/day. [District Rule 2201] Federally Enforceable Through Title V Permit
11. 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
12. Disturbances of soil related to any construction, demolition, excavation, extraction, or other earthmoving activities shall comply with the requirements for fugitive dust control in District Rule 8021 unless specifically exempted under Section 4.0 of Rule 8021 or Rule 8011. [District Rules 8011 and 8021] Federally Enforceable Through Title V Permit
13. An owner/operator shall submit a Dust Control Plan to the APCO prior to the start of any construction activity on any site that will include 10 acres or more of disturbed surface area for residential developments, or 5 acres or more of disturbed surface area for non-residential development, or will include moving, depositing, or relocating more than 2,500 cubic yards per day of bulk materials on at least three days. [District Rules 8011 and 8021] Federally Enforceable Through Title V Permit
14. An owner/operator shall prevent or cleanup any carryout or trackout in accordance with the requirements of District Rule 8041 Section 5.0, unless specifically exempted under Section 4.0 of Rule 8041 (8/19/04) or Rule 8011(8/19/04). [District Rules 8011 and 8021] Federally Enforceable Through Title V Permit
15. Whenever open areas are disturbed, or vehicles are used in open areas, the facility shall comply with the requirements of Section 5.0 of District Rule 8051, unless specifically exempted under Section 4.0 of Rule 8051 or Rule 8011. [District Rules 8011 and 8051] Federally Enforceable Through Title V Permit
16. Any paved road or unpaved road shall comply with the requirements of District Rule 8061 unless specifically exempted under Section 4.0 of Rule 8061 or Rule 8011. [District Rules 8011 and 8061] Federally Enforceable Through Title V Permit
17. Water, gravel, roadmix, or chemical/organic dust stabilizers/suppressants, vegetative materials, or other District-approved control measure shall be applied to unpaved vehicle travel areas as required to limit Visible Dust Emissions to 20% opacity and comply with the requirements for a stabilized unpaved road as defined in Section 3.59 of District Rule 8011. [District Rule 8011 and 8071] Federally Enforceable Through Title V Permit
18. Where dusting materials are allowed to accumulate on paved surfaces, the accumulation shall be removed daily or water and/or chemical/organic dust stabilizers/suppressants shall be applied to the paved surface as required to maintain continuous compliance with the requirements for a stabilized unpaved road as defined in Section 3.59 of District Rule 8011 and limit Visible Dust Emissions (VDE) to 20% opacity. [District Rule 8011 and 8071] Federally Enforceable Through Title V Permit

CONDITIONS CONTINUE ON NEXT PAGE

19. On each day that 50 or more Vehicle Daily Trips or 25 or more Vehicle Daily Trips with 3 axles or more will occur on an unpaved vehicle/equipment traffic area, permittee shall apply water, gravel, roadmix, or chemical/organic dust stabilizers/suppressants, vegetative materials, or other District-approved control measure as required to limit Visible Dust Emissions to 20% opacity and comply with the requirements for a stabilized unpaved road as defined in Section 3.59 of District Rule 8011. [District Rule 8011 and 8071] Federally Enforceable Through Title V Permit
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21. Records and other supporting documentation shall be maintained as required to demonstrate compliance with the requirements of the rules under Regulation VIII only for those days that a control measure was implemented. Such records shall include the type of control measure(s) used, the location and extent of coverage, and the date, amount, and frequency of application of dust suppressant, manufacturer's dust suppressant product information sheet that identifies the name of the dust suppressant and application instructions. Records shall be kept for one year following project completion that results in the termination of all dust generating activities. [District Rules 8011, 8031, and 8071] Federally Enforceable Through Title V Permit
22. 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] Federally Enforceable Through Title V Permit



San Joaquin Valley
AIR POLLUTION CONTROL DISTRICT



AUTHORITY TO CONSTRUCT

PERMIT NO: S-2234-224-0

ISSUANCE DATE: 12/02/2010

LEGAL OWNER OR OPERATOR: OCCIDENTAL OF ELK HILLS INC
MAILING ADDRESS: 10800 STOCKDALE HWY
BAKERSFIELD, CA 93311

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

SECTION: NW35 TOWNSHIP: 30S RANGE: 23E

EQUIPMENT DESCRIPTION:
DEPROPANIZER WITH REFLUX CONDENSERS AND REFLUX DRUMS

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 NSR Rule] 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. All equipment shall be maintained in good operating condition and shall be operated in a manner to minimize emissions of air contaminants into the atmosphere. [District NSR Rule] Federally Enforceable Through Title V Permit
4. No air contaminant shall be released into the atmosphere which causes a public nuisance. [District Rule 4102]
5. 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] Federally Enforceable Through Title V Permit
6. Particulate matter emissions shall not exceed 0.1 grains/dscf in concentration. [District Rule 4201] 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.

Sayed Sadredin, Executive Director / APCO

DAVID WARNER, Director of Permit Services
S-2234-224-0 : Dec 2 2010 8:03AM -- EDGEHILL : Joint Inspection NOT Required

7. 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
8. 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
9. 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
10. VOC fugitive emissions shall not exceed 0.7 lb/day. [District Rule 2201] Federally Enforceable Through Title V Permit
11. 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
12. Disturbances of soil related to any construction, demolition, excavation, extraction, or other earthmoving activities shall comply with the requirements for fugitive dust control in District Rule 8021 unless specifically exempted under Section 4.0 of Rule 8021 or Rule 8011. [District Rules 8011 and 8021] Federally Enforceable Through Title V Permit
13. An owner/operator shall submit a Dust Control Plan to the APCO prior to the start of any construction activity on any site that will include 10 acres or more of disturbed surface area for residential developments, or 5 acres or more of disturbed surface area for non-residential development, or will include moving, depositing, or relocating more than 2,500 cubic yards per day of bulk materials on at least three days. [District Rules 8011 and 8021] Federally Enforceable Through Title V Permit
14. An owner/operator shall prevent or cleanup any carryout or trackout in accordance with the requirements of District Rule 8041 Section 5.0, unless specifically exempted under Section 4.0 of Rule 8041 (8/19/04) or Rule 8011(8/19/04). [District Rules 8011 and 8021] Federally Enforceable Through Title V Permit
15. Whenever open areas are disturbed, or vehicles are used in open areas, the facility shall comply with the requirements of Section 5.0 of District Rule 8051, unless specifically exempted under Section 4.0 of Rule 8051 or Rule 8011. [District Rules 8011 and 8051] Federally Enforceable Through Title V Permit
16. Any paved road or unpaved road shall comply with the requirements of District Rule 8061 unless specifically exempted under Section 4.0 of Rule 8061 or Rule 8011. [District Rules 8011 and 8061] Federally Enforceable Through Title V Permit
17. Water, gravel, roadmix, or chemical/organic dust stabilizers/suppressants, vegetative materials, or other District-approved control measure shall be applied to unpaved vehicle travel areas as required to limit Visible Dust Emissions to 20% opacity and comply with the requirements for a stabilized unpaved road as defined in Section 3.59 of District Rule 8011. [District Rule 8011 and 8071] Federally Enforceable Through Title V Permit
18. Where dusting materials are allowed to accumulate on paved surfaces, the accumulation shall be removed daily or water and/or chemical/organic dust stabilizers/suppressants shall be applied to the paved surface as required to maintain continuous compliance with the requirements for a stabilized unpaved road as defined in Section 3.59 of District Rule 8011 and limit Visible Dust Emissions (VDE) to 20% opacity. [District Rule 8011 and 8071] Federally Enforceable Through Title V Permit

CONDITIONS CONTINUE ON NEXT PAGE

19. On each day that 50 or more Vehicle Daily Trips or 25 or more Vehicle Daily Trips with 3 axles or more will occur on an unpaved vehicle/equipment traffic area, permittee shall apply water, gravel, roadmix, or chemical/organic dust stabilizers/suppressants, vegetative materials, or other District-approved control measure as required to limit Visible Dust Emissions to 20% opacity and comply with the requirements for a stabilized unpaved road as defined in Section 3.59 of District Rule 8011. [District Rule 8011 and 8071] Federally Enforceable Through Title V Permit
20. Whenever any portion of the site becomes inactive, Permittee shall restrict access and periodically stabilize any disturbed surface to comply with the conditions for a stabilized surface as defined in Section 3.58 of District Rule 8011. [District Rules 8011 and 8071] Federally Enforceable Through Title V Permit
21. Records and other supporting documentation shall be maintained as required to demonstrate compliance with the requirements of the rules under Regulation VIII only for those days that a control measure was implemented. Such records shall include the type of control measure(s) used, the location and extent of coverage, and the date, amount, and frequency of application of dust suppressant, manufacturer's dust suppressant product information sheet that identifies the name of the dust suppressant and application instructions. Records shall be kept for one year following project completion that results in the termination of all dust generating activities. [District Rules 8011, 8031, and 8071] Federally Enforceable Through Title V Permit
22. 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] Federally Enforceable Through Title V Permit
23. Prior to operating equipment under this Authority to Construct, permittee shall surrender VOC emission reduction credits for the following quantity of emissions: 1st quarter - 66 lb, 2nd quarter - 66 lb, 3rd quarter - 66 lb, and fourth quarter - 66 lb. Offsets shall be provided at the applicable offset ratio specified in Table 4-2 of Rule 2201 (as amended 12/18/08). [District Rule 2201] Federally Enforceable Through Title V Permit
24. ERC Certificate Number S-2822-1 (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



San Joaquin Valley
AIR POLLUTION CONTROL DISTRICT



HEALTHY AIR LIVING™

AUTHORITY TO CONSTRUCT

PERMIT NO: S-2234-225-0

ISSUANCE DATE: 12/02/2010

LEGAL OWNER OR OPERATOR: OCCIDENTAL OF ELK HILLS INC
MAILING ADDRESS: 10800 STOCKDALE HWY
BAKERSFIELD, CA 93311

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

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

EQUIPMENT DESCRIPTION:
DEBUTANIZER WITH REFLUX CONDENSERS AND REFLUX DRUMS

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 NSR Rule] 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. All equipment shall be maintained in good operating condition and shall be operated in a manner to minimize emissions of air contaminants into the atmosphere. [District NSR Rule] Federally Enforceable Through Title V Permit
4. No air contaminant shall be released into the atmosphere which causes a public nuisance. [District Rule 4102]
5. 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] Federally Enforceable Through Title V Permit
6. Particulate matter emissions shall not exceed 0.1 grains/dscf in concentration. [District Rule 4201] 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

DAVID WARNER, Director of Permit Services

S-2234-225-0 : Dec 2 2010 8:03AM - EDGEHILR : Joint Inspection NOT Required

7. 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
8. 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
9. 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
10. VOC fugitive emissions shall not exceed 0.5 lb/day. [District Rule 2201] Federally Enforceable Through Title V Permit
11. 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
12. Disturbances of soil related to any construction, demolition, excavation, extraction, or other earthmoving activities shall comply with the requirements for fugitive dust control in District Rule 8021 unless specifically exempted under Section 4.0 of Rule 8021 or Rule 8011. [District Rules 8011 and 8021] Federally Enforceable Through Title V Permit
13. An owner/operator shall submit a Dust Control Plan to the APCO prior to the start of any construction activity on any site that will include 10 acres or more of disturbed surface area for residential developments, or 5 acres or more of disturbed surface area for non-residential development, or will include moving, depositing, or relocating more than 2,500 cubic yards per day of bulk materials on at least three days. [District Rules 8011 and 8021] Federally Enforceable Through Title V Permit
14. An owner/operator shall prevent or cleanup any carryout or trackout in accordance with the requirements of District Rule 8041 Section 5.0, unless specifically exempted under Section 4.0 of Rule 8041 (8/19/04) or Rule 8011(8/19/04). [District Rules 8011 and 8021] Federally Enforceable Through Title V Permit
15. Whenever open areas are disturbed, or vehicles are used in open areas, the facility shall comply with the requirements of Section 5.0 of District Rule 8051, unless specifically exempted under Section 4.0 of Rule 8051 or Rule 8011. [District Rules 8011 and 8051] Federally Enforceable Through Title V Permit
16. Any paved road or unpaved road shall comply with the requirements of District Rule 8061 unless specifically exempted under Section 4.0 of Rule 8061 or Rule 8011. [District Rules 8011 and 8061] Federally Enforceable Through Title V Permit
17. Water, gravel, roadmix, or chemical/organic dust stabilizers/suppressants, vegetative materials, or other District-approved control measure shall be applied to unpaved vehicle travel areas as required to limit Visible Dust Emissions to 20% opacity and comply with the requirements for a stabilized unpaved road as defined in Section 3.59 of District Rule 8011. [District Rule 8011 and 8071] Federally Enforceable Through Title V Permit
18. Where dusting materials are allowed to accumulate on paved surfaces, the accumulation shall be removed daily or water and/or chemical/organic dust stabilizers/suppressants shall be applied to the paved surface as required to maintain continuous compliance with the requirements for a stabilized unpaved road as defined in Section 3.59 of District Rule 8011 and limit Visible Dust Emissions (VDE) to 20% opacity. [District Rule 8011 and 8071] Federally Enforceable Through Title V Permit

CONDITIONS CONTINUE ON NEXT PAGE

19. On each day that 50 or more Vehicle Daily Trips or 25 or more Vehicle Daily Trips with 3 axles or more will occur on an unpaved vehicle/equipment traffic area, permittee shall apply water, gravel, roadmix, or chemical/organic dust stabilizers/suppressants, vegetative materials, or other District-approved control measure as required to limit Visible Dust Emissions to 20% opacity and comply with the requirements for a stabilized unpaved road as defined in Section 3.59 of District Rule 8011. [District Rule 8011 and 8071] Federally Enforceable Through Title V Permit
20. Whenever any portion of the site becomes inactive, Permittee shall restrict access and periodically stabilize any disturbed surface to comply with the conditions for a stabilized surface as defined in Section 3.58 of District Rule 8011. [District Rules 8011 and 8071] Federally Enforceable Through Title V Permit
21. Records and other supporting documentation shall be maintained as required to demonstrate compliance with the requirements of the rules under Regulation VIII only for those days that a control measure was implemented. Such records shall include the type of control measure(s) used, the location and extent of coverage, and the date, amount, and frequency of application of dust suppressant, manufacturer's dust suppressant product information sheet that identifies the name of the dust suppressant and application instructions. Records shall be kept for one year following project completion that results in the termination of all dust generating activities. [District Rules 8011, 8031, and 8071] Federally Enforceable Through Title V Permit
22. 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] Federally Enforceable Through Title V Permit



San Joaquin Valley
AIR POLLUTION CONTROL DISTRICT



AUTHORITY TO CONSTRUCT

PERMIT NO: S-2234-226-0

ISSUANCE DATE: 12/02/2010

LEGAL OWNER OR OPERATOR: OCCIDENTAL OF ELK HILLS INC
MAILING ADDRESS: 10800 STOCKDALE HWY
BAKERSFIELD, CA 93311

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

SECTION: NW35 TOWNSHIP: 30S RANGE: 23E

EQUIPMENT DESCRIPTION:

REFRIGERATION SYSTEM WITH REFRIGERANT SUCTION SCRUBBER, REFRIGERANT COMPRESSOR(S) AND COMPRESSOR COMPONENTS, REFRIGERANT FLASH DRUM, REFRIGERANT CONDENSERS AND COMPONENTS, AND REFRIGERANT SURGE DRUM

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 NSR Rule] 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. All equipment shall be maintained in good operating condition and shall be operated in a manner to minimize emissions of air contaminants into the atmosphere. [District NSR Rule] Federally Enforceable Through Title V Permit
4. No air contaminant shall be released into the atmosphere which causes a public nuisance. [District Rule 4102]
5. 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] Federally Enforceable Through Title V Permit
6. Particulate matter emissions shall not exceed 0.1 grains/dscf in concentration. [District Rule 4201] 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

DAVID WARNER, Director of Permit Services

S-2234-226-0 : Dec 2 2010 8:04AM - EDGEHILL : Joint Inspection NOT Required

7. 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
8. 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
9. 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
10. VOC fugitive emissions shall not exceed 1.9 lb/day. [District Rule 2201] Federally Enforceable Through Title V Permit
11. 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]
12. Prior to operating equipment under this Authority to Construct, permittee shall surrender VOC emission reduction credits for the following quantity of emissions: 1st quarter - 171 lb, 2nd quarter - 171 lb, 3rd quarter - 171 lb, and fourth quarter - 171 lb. Offsets shall be provided at the applicable offset ratio specified in Table 4-2 of Rule 2201 (as amended 12/18/08). [District Rule 2201] Federally Enforceable Through Title V Permit
13. ERC Certificate Number S-2822-1 (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



San Joaquin Valley
AIR POLLUTION CONTROL DISTRICT



AUTHORITY TO CONSTRUCT

PERMIT NO: S-2234-227-0

ISSUANCE DATE: 12/02/2010

LEGAL OWNER OR OPERATOR: OCCIDENTAL OF ELK HILLS INC
MAILING ADDRESS: 10800 STOCKDALE HWY
BAKERSFIELD, CA 93311

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

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

EQUIPMENT DESCRIPTION:
AMINE SYSTEM WITH AMINE REGENERATION PACKAGE

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 NSR Rule] 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. The permittee shall obtain written District approval for the use of any equivalent equipment not specifically approved by this Authority to Construct. Approval of the equivalent equipment shall be made only after the District's determination that the submitted design and performance of the proposed alternate equipment is equivalent to the specifically authorized equipment. [District Rule 2201] Federally Enforceable Through Title V Permit
4. The permittee's request for approval of equivalent equipment shall include the make, model, manufacturer's maximum rating, manufacturer's guaranteed emission rates, equipment drawing(s), and operational characteristics/parameters. [District Rule 2201] Federally Enforceable Through Title V Permit
5. Alternate equipment shall be of the same class and category of source as the equipment authorized by the 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.

Sayed Sadredin, Executive Director / APCO

DAVID WARNER, Director of Permit Services
S-2234-227-0 : Dec 2 2010 8:04AM - EDGEHILL : Joint Inspection NOT Required

6. No emission factor and no emission shall be greater for the alternate equipment than for the proposed equipment. No changes in the hours of operation, operating rate, throughput, or firing rate may be authorized for any alternate equipment. [District Rule 2201] Federally Enforceable Through Title V Permit
7. All equipment shall be maintained in good operating condition and shall be operated in a manner to minimize emissions of air contaminants into the atmosphere. [District NSR Rule] Federally Enforceable Through Title V Permit
8. No air contaminant shall be released into the atmosphere which causes a public nuisance. [District Rule 4102]
9. 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] Federally Enforceable Through Title V Permit
10. Particulate matter emissions shall not exceed 0.1 grains/dscf in concentration. [District Rule 4201] Federally Enforceable Through Title V Permit
11. 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
12. 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
13. 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
14. VOC fugitive emissions shall not exceed 0.2 lb/day. [District Rule 2201] Federally Enforceable Through Title V Permit
15. 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
16. Disturbances of soil related to any construction, demolition, excavation, extraction, or other earthmoving activities shall comply with the requirements for fugitive dust control in District Rule 8021 unless specifically exempted under Section 4.0 of Rule 8021 or Rule 8011. [District Rules 8011 and 8021] Federally Enforceable Through Title V Permit
17. An owner/operator shall submit a Dust Control Plan to the APCO prior to the start of any construction activity on any site that will include 10 acres or more of disturbed surface area for residential developments, or 5 acres or more of disturbed surface area for non-residential development, or will include moving, depositing, or relocating more than 2,500 cubic yards per day of bulk materials on at least three days. [District Rules 8011 and 8021] Federally Enforceable Through Title V Permit
18. An owner/operator shall prevent or cleanup any carryout or trackout in accordance with the requirements of District Rule 8041 Section 5.0, unless specifically exempted under Section 4.0 of Rule 8041 (8/19/04) or Rule 8011(8/19/04). [District Rules 8011 and 8021] Federally Enforceable Through Title V Permit
19. Whenever open areas are disturbed, or vehicles are used in open areas, the facility shall comply with the requirements of Section 5.0 of District Rule 8051, unless specifically exempted under Section 4.0 of Rule 8051 or Rule 8011. [District Rules 8011 and 8051] Federally Enforceable Through Title V Permit
20. Any paved road or unpaved road shall comply with the requirements of District Rule 8061 unless specifically exempted under Section 4.0 of Rule 8061 or Rule 8011. [District Rules 8011 and 8061] Federally Enforceable Through Title V Permit

CONDITIONS CONTINUE ON NEXT PAGE

21. Water, gravel, roadmix, or chemical/organic dust stabilizers/suppressants, vegetative materials, or other District-approved control measure shall be applied to unpaved vehicle travel areas as required to limit Visible Dust Emissions to 20% opacity and comply with the requirements for a stabilized unpaved road as defined in Section 3.59 of District Rule 8011. [District Rule 8011 and 8071] Federally Enforceable Through Title V Permit
22. Where dusting materials are allowed to accumulate on paved surfaces, the accumulation shall be removed daily or water and/or chemical/organic dust stabilizers/suppressants shall be applied to the paved surface as required to maintain continuous compliance with the requirements for a stabilized unpaved road as defined in Section 3.59 of District Rule 8011 and limit Visible Dust Emissions (VDE) to 20% opacity. [District Rule 8011 and 8071] Federally Enforceable Through Title V Permit
23. On each day that 50 or more Vehicle Daily Trips or 25 or more Vehicle Daily Trips with 3 axles or more will occur on an unpaved vehicle/equipment traffic area, permittee shall apply water, gravel, roadmix, or chemical/organic dust stabilizers/suppressants, vegetative materials, or other District-approved control measure as required to limit Visible Dust Emissions to 20% opacity and comply with the requirements for a stabilized unpaved road as defined in Section 3.59 of District Rule 8011. [District Rule 8011 and 8071] Federally Enforceable Through Title V Permit
24. Whenever any portion of the site becomes inactive, Permittee shall restrict access and periodically stabilize any disturbed surface to comply with the conditions for a stabilized surface as defined in Section 3.58 of District Rule 8011. [District Rules 8011 and 8071] Federally Enforceable Through Title V Permit
25. Records and other supporting documentation shall be maintained as required to demonstrate compliance with the requirements of the rules under Regulation VIII only for those days that a control measure was implemented. Such records shall include the type of control measure(s) used, the location and extent of coverage, and the date, amount, and frequency of application of dust suppressant, manufacturer's dust suppressant product information sheet that identifies the name of the dust suppressant and application instructions. Records shall be kept for one year following project completion that results in the termination of all dust generating activities. [District Rules 8011, 8031, and 8071] Federally Enforceable Through Title V Permit
26. 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] Federally Enforceable Through Title V Permit



San Joaquin Valley
AIR POLLUTION CONTROL DISTRICT



AUTHORITY TO CONSTRUCT

PERMIT NO: S-2234-228-0

ISSUANCE DATE: 12/02/2010

LEGAL OWNER OR OPERATOR: OCCIDENTAL OF ELK HILLS INC
MAILING ADDRESS: 10800 STOCKDALE HWY
BAKERSFIELD, CA 93311

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

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

EQUIPMENT DESCRIPTION:
GLYCOL SYSTEM WITH GLYCOL REGENERATION PACKAGE

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 NSR Rule] 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. The permittee shall obtain written District approval for the use of any equivalent equipment not specifically approved by this Authority to Construct. Approval of the equivalent equipment shall be made only after the District's determination that the submitted design and performance of the proposed alternate equipment is equivalent to the specifically authorized equipment. [District Rule 2201] Federally Enforceable Through Title V Permit
4. The permittee's request for approval of equivalent equipment shall include the make, model, manufacturer's maximum rating, manufacturer's guaranteed emission rates, equipment drawing(s), and operational characteristics/parameters. [District Rule 2201] Federally Enforceable Through Title V Permit
5. Alternate equipment shall be of the same class and category of source as the equipment authorized by the 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.

Sayed Sadredin, Executive Director / APCO


DAVID WARNER, Director of Permit Services

6. No emission factor and no emission shall be greater for the alternate equipment than for the proposed equipment. No changes in the hours of operation, operating rate, throughput, or firing rate may be authorized for any alternate equipment. [District Rule 2201] Federally Enforceable Through Title V Permit
7. All equipment shall be maintained in good operating condition and shall be operated in a manner to minimize emissions of air contaminants into the atmosphere. [District NSR Rule] Federally Enforceable Through Title V Permit
8. No air contaminant shall be released into the atmosphere which causes a public nuisance. [District Rule 4102]
9. 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] Federally Enforceable Through Title V Permit
10. Particulate matter emissions shall not exceed 0.1 grains/dscf in concentration. [District Rule 4201] Federally Enforceable Through Title V Permit
11. 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
12. 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
13. 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
14. VOC fugitive emissions shall not exceed 0.2 lb/day. [District Rule 2201] Federally Enforceable Through Title V Permit
15. 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
16. Disturbances of soil related to any construction, demolition, excavation, extraction, or other earthmoving activities shall comply with the requirements for fugitive dust control in District Rule 8021 unless specifically exempted under Section 4.0 of Rule 8021 or Rule 8011. [District Rules 8011 and 8021] Federally Enforceable Through Title V Permit
17. An owner/operator shall submit a Dust Control Plan to the APCO prior to the start of any construction activity on any site that will include 10 acres or more of disturbed surface area for residential developments, or 5 acres or more of disturbed surface area for non-residential development, or will include moving, depositing, or relocating more than 2,500 cubic yards per day of bulk materials on at least three days. [District Rules 8011 and 8021] Federally Enforceable Through Title V Permit
18. An owner/operator shall prevent or cleanup any carryout or trackout in accordance with the requirements of District Rule 8041 Section 5.0, unless specifically exempted under Section 4.0 of Rule 8041 (8/19/04) or Rule 8011(8/19/04). [District Rules 8011 and 8021] Federally Enforceable Through Title V Permit
19. Whenever open areas are disturbed, or vehicles are used in open areas, the facility shall comply with the requirements of Section 5.0 of District Rule 8051, unless specifically exempted under Section 4.0 of Rule 8051 or Rule 8011. [District Rules 8011 and 8051] Federally Enforceable Through Title V Permit
20. Any paved road or unpaved road shall comply with the requirements of District Rule 8061 unless specifically exempted under Section 4.0 of Rule 8061 or Rule 8011. [District Rules 8011 and 8061] Federally Enforceable Through Title V Permit

CONDITIONS CONTINUE ON NEXT PAGE

21. Water, gravel, roadmix, or chemical/organic dust stabilizers/suppressants, vegetative materials, or other District-approved control measure shall be applied to unpaved vehicle travel areas as required to limit Visible Dust Emissions to 20% opacity and comply with the requirements for a stabilized unpaved road as defined in Section 3.59 of District Rule 8011. [District Rule 8011 and 8071] Federally Enforceable Through Title V Permit
22. Where dusting materials are allowed to accumulate on paved surfaces, the accumulation shall be removed daily or water and/or chemical/organic dust stabilizers/suppressants shall be applied to the paved surface as required to maintain continuous compliance with the requirements for a stabilized unpaved road as defined in Section 3.59 of District Rule 8011 and limit Visible Dust Emissions (VDE) to 20% opacity. [District Rule 8011 and 8071] Federally Enforceable Through Title V Permit
23. On each day that 50 or more Vehicle Daily Trips or 25 or more Vehicle Daily Trips with 3 axles or more will occur on an unpaved vehicle/equipment traffic area, permittee shall apply water, gravel, roadmix, or chemical/organic dust stabilizers/suppressants, vegetative materials, or other District-approved control measure as required to limit Visible Dust Emissions to 20% opacity and comply with the requirements for a stabilized unpaved road as defined in Section 3.59 of District Rule 8011. [District Rule 8011 and 8071] Federally Enforceable Through Title V Permit
24. Whenever any portion of the site becomes inactive, Permittee shall restrict access and periodically stabilize any disturbed surface to comply with the conditions for a stabilized surface as defined in Section 3.58 of District Rule 8011. [District Rules 8011 and 8071] Federally Enforceable Through Title V Permit
25. Records and other supporting documentation shall be maintained as required to demonstrate compliance with the requirements of the rules under Regulation VIII only for those days that a control measure was implemented. Such records shall include the type of control measure(s) used, the location and extent of coverage, and the date, amount, and frequency of application of dust suppressant, manufacturer's dust suppressant product information sheet that identifies the name of the dust suppressant and application instructions. Records shall be kept for one year following project completion that results in the termination of all dust generating activities. [District Rules 8011, 8031, and 8071] Federally Enforceable Through Title V Permit
26. 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] Federally Enforceable Through Title V Permit



San Joaquin Valley
AIR POLLUTION CONTROL DISTRICT



AUTHORITY TO CONSTRUCT

PERMIT NO: S-2234-229-0

ISSUANCE DATE: 12/02/2010

LEGAL OWNER OR OPERATOR: OCCIDENTAL OF ELK HILLS INC
MAILING ADDRESS: 10800 STOCKDALE HWY
BAKERSFIELD, CA 93311

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

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

EQUIPMENT DESCRIPTION:
PROPANE TANK (EXEMPT), BUTANE TANK (EXEMPT), AND 16,250 GALLON NATURAL GAS TANK

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 NSR Rule] 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. All equipment shall be maintained in good operating condition and shall be operated in a manner to minimize emissions of air contaminants into the atmosphere. [District NSR Rule] Federally Enforceable Through Title V Permit
4. No air contaminant shall be released into the atmosphere which causes a public nuisance. [District Rule 4102]
5. 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] Federally Enforceable Through Title V Permit
6. 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

CONDITIONS CONTINUE ON NEXT PAGE

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Sayed Sadredin, Executive Director / APCO


DAVID WARNER, Director of Permit Services
S-2234-229-0 : Dec 2 2010 8:04AM - EDGEHILL : Joint Inspection NOT Required

7. Natural gasoline (NGL) storage tank and all piping, valves, and fittings shall be constructed and maintained in a leak-free condition. [District Rules 2201 and 4623] Federally Enforceable Through Title V Permit
8. 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 Rules 2201 and 4623] Federally Enforceable Through Title V Permit
9. VOC fugitive emissions shall not exceed 0.9 lb/day. [District Rule 2201] Federally Enforceable Through Title V Permit
10. Gas-leak concentration shall be determined by EPA Method 21. [District Rule 2201] Federally Enforceable Through Title V Permit
11. Natural gasoline (NGL) storage 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 that reduces the inlet VOC emissions by at least 99% by weight as determined by the test method specified in Section 6.4.7. [District Rules 2201 and 4623] Federally Enforceable Through Title V Permit
12. 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 Rules 2201 and 4623] Federally Enforceable Through Title V Permit
13. Any tank gauging or sampling device on the natural gasoline (NGL) storage tank vented to the vapor recovery system shall be equipped with a leak-free cover which shall be closed at all times except during gauging or sampling. [District Rules 2201 and 4623] Federally Enforceable Through Title V Permit
14. Operator shall visually inspect natural gasoline (NGL) storage 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 shell and roof of the uninsulated tank for structural integrity annually. [District Rules 2210 and 4623] Federally Enforceable Through Title V Permit
15. Upon detection of a liquid leak from NGL storage tank, 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] Federally Enforceable Through Title V Permit
16. Upon detection of a gas leak, defined as a VOC concentration of greater than 2,000 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] Federally Enforceable Through Title V Permit
17. 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] Federally Enforceable Through Title V Permit

CONDITIONS CONTINUE ON NEXT PAGE

18. If a component type for the natural gasoline (NGL) storage tank is found to leak during an annual inspection, operator shall conduct quarterly inspections of that component type on the tank for four consecutive quarters. If no components are found to leak after four consecutive quarters, the operator may revert to annual inspections. [District Rules 2201 and 4623] Federally Enforceable Through Title V Permit
19. 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 the leak to lowest possible level within 8 hours after detection. [District Rules 2201 and 4623] Federally Enforceable Through Title V Permit
20. Disturbances of soil related to any construction, demolition, excavation, extraction, or other earthmoving activities shall comply with the requirements for fugitive dust control in District Rule 8021 unless specifically exempted under Section 4.0 of Rule 8021 or Rule 8011. [District Rules 8011 and 8021] Federally Enforceable Through Title V Permit
21. An owner/operator shall submit a Dust Control Plan to the APCO prior to the start of any construction activity on any site that will include 10 acres or more of disturbed surface area for residential developments, or 5 acres or more of disturbed surface area for non-residential development, or will include moving, depositing, or relocating more than 2,500 cubic yards per day of bulk materials on at least three days. [District Rules 8011 and 8021] Federally Enforceable Through Title V Permit
22. An owner/operator shall prevent or cleanup any carryout or trackout in accordance with the requirements of District Rule 8041 Section 5.0, unless specifically exempted under Section 4.0 of Rule 8041 (8/19/04) or Rule 8011(8/19/04). [District Rules 8011 and 8021] Federally Enforceable Through Title V Permit
23. Whenever open areas are disturbed, or vehicles are used in open areas, the facility shall comply with the requirements of Section 5.0 of District Rule 8051, unless specifically exempted under Section 4.0 of Rule 8051 or Rule 8011. [District Rules 8011 and 8051] Federally Enforceable Through Title V Permit
24. Any paved road or unpaved road shall comply with the requirements of District Rule 8061 unless specifically exempted under Section 4.0 of Rule 8061 or Rule 8011. [District Rules 8011 and 8061] Federally Enforceable Through Title V Permit
25. Water, gravel, roadmix, or chemical/organic dust stabilizers/suppressants, vegetative materials, or other District-approved control measure shall be applied to unpaved vehicle travel areas as required to limit Visible Dust Emissions to 20% opacity and comply with the requirements for a stabilized unpaved road as defined in Section 3.59 of District Rule 8011. [District Rule 8011 and 8071] Federally Enforceable Through Title V Permit
26. Where dusting materials are allowed to accumulate on paved surfaces, the accumulation shall be removed daily or water and/or chemical/organic dust stabilizers/suppressants shall be applied to the paved surface as required to maintain continuous compliance with the requirements for a stabilized unpaved road as defined in Section 3.59 of District Rule 8011 and limit Visible Dust Emissions (VDE) to 20% opacity. [District Rule 8011 and 8071] Federally Enforceable Through Title V Permit
27. On each day that 50 or more Vehicle Daily Trips or 25 or more Vehicle Daily Trips with 3 axles or more will occur on an unpaved vehicle/equipment traffic area, permittee shall apply water, gravel, roadmix, or chemical/organic dust stabilizers/suppressants, vegetative materials, or other District-approved control measure as required to limit Visible Dust Emissions to 20% opacity and comply with the requirements for a stabilized unpaved road as defined in Section 3.59 of District Rule 8011. [District Rule 8011 and 8071] Federally Enforceable Through Title V Permit
28. Whenever any portion of the site becomes inactive, Permittee shall restrict access and periodically stabilize any disturbed surface to comply with the conditions for a stabilized surface as defined in Section 3.58 of District Rule 8011. [District Rules 8011 and 8071] Federally Enforceable Through Title V Permit
29. Records and other supporting documentation shall be maintained as required to demonstrate compliance with the requirements of the rules under Regulation VIII only for those days that a control measure was implemented. Such records shall include the type of control measure(s) used, the location and extent of coverage, and the date, amount, and frequency of application of dust suppressant, manufacturer's dust suppressant product information sheet that identifies the name of the dust suppressant and application instructions. Records shall be kept for one year following project completion that results in the termination of all dust generating activities. [District Rules 8011, 8031, and 8071] Federally Enforceable Through Title V Permit

CONDITIONS CONTINUE ON NEXT PAGE

30. 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] Federally Enforceable Through Title V Permit
31. Prior to operating equipment under this Authority to Construct, permittee shall surrender VOC emission reduction credits for the following quantity of emissions: 1st quarter - 85 lb, 2nd quarter - 85 lb, 3rd quarter - 85 lb, and fourth quarter - 85 lb. Offsets shall be provided at the applicable offset ratio specified in Table 4-2 of Rule 2201 (as amended 12/18/08). [District Rule 2201] Federally Enforceable Through Title V Permit
32. ERC Certificate Number S-2822-1 (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



San Joaquin Valley
AIR POLLUTION CONTROL DISTRICT



AUTHORITY TO CONSTRUCT

PERMIT NO: S-2234-230-0

ISSUANCE DATE: 12/02/2010

LEGAL OWNER OR OPERATOR: OCCIDENTAL OF ELK HILLS INC
MAILING ADDRESS: 10800 STOCKDALE HWY
BAKERSFIELD, CA 93311

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

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

EQUIPMENT DESCRIPTION:

HOT OIL SYSTEM WITH HOT OIL EXPANSION TANK, HOT OIL PUMPS, AND 206.7 MMBTU/HR HOT OIL HEATER WITH COEN C-RMB RAPID MIX ULTRA-LOW NOX BURNER (OR EQUIVALENT)

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 NSR Rule] 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. The permittee shall obtain written District approval for the use of any equivalent equipment not specifically approved by this Authority to Construct. Approval of the equivalent equipment shall be made only after the District's determination that the submitted design and performance of the proposed alternate equipment is equivalent to the specifically authorized equipment. [District Rule 2201] Federally Enforceable Through Title V Permit
4. The permittee's request for approval of equivalent equipment shall include the make, model, manufacturer's maximum rating, manufacturer's guaranteed emission rates, equipment drawing(s), and operational characteristics/parameters. [District Rule 2201] Federally Enforceable Through Title V Permit
5. Alternate equipment shall be of the same class and category of source as the equipment authorized by the Authority to Construct. [District Rule 2201] Federally Enforceable Through Title V Permit

CONDITIONS CONTINUE ON NEXT PAGE

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Sayed Sadredin, Executive Director / APCO


DAVID WARNER, Director of Permit Services
S-2234-230-0 : Dec 22010 8:04AM - EDGEHILR : Joint Inspection NOT Required

6. No emission factor and no emission shall be greater for the alternate equipment than for the proposed equipment. No changes in the hours of operation, operating rate, throughput, or firing rate may be authorized for any alternate equipment. [District Rule 2201] Federally Enforceable Through Title V Permit
7. All equipment shall be maintained in good operating condition and shall be operated in a manner to minimize emissions of air contaminants into the atmosphere. [District NSR Rule] Federally Enforceable Through Title V Permit
8. No air contaminant shall be released into the atmosphere which causes a public nuisance. [District Rule 4102] Federally Enforceable Through Title V Permit
9. 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] Federally Enforceable Through Title V Permit
10. Particulate matter emissions shall not exceed 0.1 grains/dscf in concentration. [District Rule 4201] Federally Enforceable Through Title V Permit
11. 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
12. 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
13. 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
14. VOC fugitive emissions shall not exceed 0.2 lb/day. [District Rule 2201] Federally Enforceable Through Title V Permit
15. Hot oil heater shall only be fired on PUC-quality natural gas. [District Rule 2201] Federally Enforceable Through Title V Permit
16. Emissions from the natural gas-fired unit shall not exceed any of the following limits: 5 ppmvd NO_x @ 3% O₂ or 0.0062 lb-NO_x/MMBtu, 0.00285 lb-SO_x/MMBtu, 0.0076 lb-PM₁₀/MMBtu, 50 ppmvd CO @ 3% O₂ or 0.037 lb-CO/MMBtu, or 0.0055 lb-VOC/MMBtu. [District Rules 2201, 4305, 4306, and 4320] Federally Enforceable Through Title V Permit
17. All emissions measurements shall be made with the unit operating either at conditions representative of normal operations or conditions specified in the Permit to Operate. No determination of compliance shall be established within two hours after a continuous period in which fuel flow to the unit is shut off for 30 minutes or longer, or within 30 minutes after a re-ignition as defined in Section 3.0 of District Rule 4306. [District Rules 4305, 4306, and 4320] Federally Enforceable Through Title V Permit
18. Source testing to measure NO_x and CO emissions from this unit while fired on natural gas shall be conducted within 60 days of initial start-up. [District Rules 2201, 4305, 4306, and 4320] Federally Enforceable Through Title V Permit
19. Source testing to measure NO_x and CO emissions from this unit while fired on natural gas shall be conducted at least once every twelve (12) months. After demonstrating compliance on two (2) consecutive annual source tests, the unit shall be tested not less than once every thirty-six (36) months. If the result of the 36-month source test demonstrates that the unit does not meet the applicable emission limits, the source testing frequency shall revert to at least once every twelve (12) months. [District Rules 4305, 4306, and 4320] Federally Enforceable Through Title V Permit

CONDITIONS CONTINUE ON NEXT PAGE

20. The source test plan shall identify which basis (ppmv or lb/MMBtu) will be used to demonstrate compliance. [District Rules 4305, 4306, and 4320] Federally Enforceable Through Title V Permit
21. Source testing shall be conducted using the methods and procedures approved by the District. The District must be notified at least 30 days prior to any compliance source test, and a source test plan must be submitted for approval at least 15 days prior to testing. [District Rule 1081] Federally Enforceable Through Title V Permit
22. NOx emissions for source test purposes shall be determined using EPA Method 7E or ARB Method 100 on a ppmv basis, or EPA Method 19 on a heat input basis. [District Rules 4305, 4306, and 4320] Federally Enforceable Through Title V Permit
23. CO emissions for source test purposes shall be determined using EPA Method 10 or ARB Method 100. [District Rules 4305, 4306, and 4320] Federally Enforceable Through Title V Permit
24. Stack gas oxygen (O2) shall be determined using EPA Method 3 or 3A or ARB Method 100. [District Rules 4305, 4306, and 4320] Federally Enforceable Through Title V Permit
25. For emissions source testing, the arithmetic average of three 30-consecutive-minute test runs shall apply. If two of three runs are above an applicable limit the test cannot be used to demonstrate compliance with an applicable limit. [District Rules 4305, 4306, and 4320] Federally Enforceable Through Title V Permit
26. The results of each source test shall be submitted to the District within 60 days thereafter. [District Rule 1081] Federally Enforceable Through Title V Permit
27. The permittee shall monitor and record the stack concentration of NOx, CO, and O2 at least once every month (in which a source test is not performed) using a portable emission monitor that meets District specifications. Monitoring shall not be required if the unit is not in operation, i.e. the unit need not be started solely to perform monitoring. Monitoring shall be performed within 5 days of restarting the unit unless monitoring has been performed within the last month. [District Rules 4305, 4306, and 4320] Federally Enforceable Through Title V Permit
28. If either the NOx or CO concentrations corrected to 3% O2, as measured by the portable analyzer, exceed the allowable emissions concentration, the permittee shall return the emissions to within the acceptable range as soon as possible, but no longer than 1 hour of operation after detection. If the portable analyzer readings continue to exceed the allowable emissions concentration after 1 hour of operation after detection, the permittee shall notify the District within the following 1 hour and conduct a certified source test within 60 days of the first exceedance. In lieu of conducting a source test, the permittee may stipulate a violation has occurred, subject to enforcement action. The permittee must then correct the violation, show compliance has been re-established, and resume monitoring procedures. If the deviations are the result of a qualifying breakdown condition pursuant to Rule 1100, the permittee may fully comply with Rule 1100 in lieu of the performing the notification and testing required by this condition. [District Rules 4305, 4306, and 4320] Federally Enforceable Through Title V Permit
29. All alternate monitoring parameter emission readings shall be taken with the unit operating either at conditions representative of normal operations or conditions specified in the Permit to Operate. The analyzer shall be calibrated, maintained, and operated in accordance with the manufacturer's specifications and recommendations or a protocol approved by the APCO. Emission readings taken shall be averaged over a 15 consecutive-minute period by either taking a cumulative 15 consecutive-minute sample reading or by taking at least five (5) readings, evenly spaced out over the 15 consecutive-minute period. [District Rules 4305, 4306, and 4320] Federally Enforceable Through Title V Permit
30. The permittee shall maintain records of: (1) the date and time of NOx, CO, and O2 measurements, (2) the O2 concentration in percent and the measured NOx and CO concentrations corrected to 3% O2, (3) make and model of exhaust gas analyzer, (4) exhaust gas analyzer calibration records, and (5) a description of any corrective action taken to maintain the emissions within the acceptable range. [District Rules 4305, 4306, and 4320] Federally Enforceable Through Title V Permit
31. 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

CONDITIONS CONTINUE ON NEXT PAGE

32. Disturbances of soil related to any construction, demolition, excavation, extraction, or other earthmoving activities shall comply with the requirements for fugitive dust control in District Rule 8021 unless specifically exempted under Section 4.0 of Rule 8021 or Rule 8011. [District Rules 8011 and 8021] Federally Enforceable Through Title V Permit
33. An owner/operator shall submit a Dust Control Plan to the APCO prior to the start of any construction activity on any site that will include 10 acres or more of disturbed surface area for residential developments, or 5 acres or more of disturbed surface area for non-residential development, or will include moving, depositing, or relocating more than 2,500 cubic yards per day of bulk materials on at least three days. [District Rules 8011 and 8021] Federally Enforceable Through Title V Permit
34. An owner/operator shall prevent or cleanup any carryout or trackout in accordance with the requirements of District Rule 8041 Section 5.0, unless specifically exempted under Section 4.0 of Rule 8041 (8/19/04) or Rule 8011(8/19/04). [District Rules 8011 and 8021] Federally Enforceable Through Title V Permit
35. Whenever open areas are disturbed, or vehicles are used in open areas, the facility shall comply with the requirements of Section 5.0 of District Rule 8051, unless specifically exempted under Section 4.0 of Rule 8051 or Rule 8011. [District Rules 8011 and 8051] Federally Enforceable Through Title V Permit
36. Any paved road or unpaved road shall comply with the requirements of District Rule 8061 unless specifically exempted under Section 4.0 of Rule 8061 or Rule 8011. [District Rules 8011 and 8061] Federally Enforceable Through Title V Permit
37. Water, gravel, roadmix, or chemical/organic dust stabilizers/suppressants, vegetative materials, or other District-approved control measure shall be applied to unpaved vehicle travel areas as required to limit Visible Dust Emissions to 20% opacity and comply with the requirements for a stabilized unpaved road as defined in Section 3.59 of District Rule 8011. [District Rule 8011 and 8071] Federally Enforceable Through Title V Permit
38. Where dusting materials are allowed to accumulate on paved surfaces, the accumulation shall be removed daily or water and/or chemical/organic dust stabilizers/suppressants shall be applied to the paved surface as required to maintain continuous compliance with the requirements for a stabilized unpaved road as defined in Section 3.59 of District Rule 8011 and limit Visible Dust Emissions (VDE) to 20% opacity. [District Rule 8011 and 8071] Federally Enforceable Through Title V Permit
39. On each day that 50 or more Vehicle Daily Trips or 25 or more Vehicle Daily Trips with 3 axles or more will occur on an unpaved vehicle/equipment traffic area, permittee shall apply water, gravel, roadmix, or chemical/organic dust stabilizers/suppressants, vegetative materials, or other District-approved control measure as required to limit Visible Dust Emissions to 20% opacity and comply with the requirements for a stabilized unpaved road as defined in Section 3.59 of District Rule 8011. [District Rule 8011 and 8071] Federally Enforceable Through Title V Permit
40. Whenever any portion of the site becomes inactive, Permittee shall restrict access and periodically stabilize any disturbed surface to comply with the conditions for a stabilized surface as defined in Section 3.58 of District Rule 8011. [District Rules 8011 and 8071] Federally Enforceable Through Title V Permit
41. Records and other supporting documentation shall be maintained as required to demonstrate compliance with the requirements of the rules under Regulation VIII only for those days that a control measure was implemented. Such records shall include the type of control measure(s) used, the location and extent of coverage, and the date, amount, and frequency of application of dust suppressant, manufacturer's dust suppressant product information sheet that identifies the name of the dust suppressant and application instructions. Records shall be kept for one year following project completion that results in the termination of all dust generating activities. [District Rules 8011, 8031, and 8071] Federally Enforceable Through Title V Permit
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] Federally Enforceable Through Title V Permit
43. Prior to operating under this Authority to Construct, permittee shall surrender emission reduction credits for the following quantities of emissions: NOx, 2807 lb/quarter; SOx, 1218 lb/quarter; PM10, 3440 lb/quarter; VOC, 2507 lb/quarter. Offset shall be provided at the applicable offset ratio specified in Table 4-2 of Rule 2201 (as amended 12/18/08). Offsets for PM10 shall be provided at a SOx:PM10 interpollutant ratio of 1.0:1. [District Rule 2201] Federally Enforceable Through Title V Permit

CONDITIONS CONTINUE ON NEXT PAGE

44. ERC Certificate Numbers S-2824-2 (NO_x), N-771-5 (SO_x), N-771-5 (PM₁₀), S-2822-1 (VOC), (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



San Joaquin Valley
AIR POLLUTION CONTROL DISTRICT



HEALTHY AIR LIVING™

AUTHORITY TO CONSTRUCT

PERMIT NO: S-2234-231-0

ISSUANCE DATE: 12/02/2010

LEGAL OWNER OR OPERATOR: OCCIDENTAL OF ELK HILLS INC
MAILING ADDRESS: 10800 STOCKDALE HWY
BAKERSFIELD, CA 93311

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

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

EQUIPMENT DESCRIPTION:

OVERHEAD GAS SYSTEM WITH FUEL GAS SCRUBBER, ETHANE/CO2 GLYCOL CONTACTOR, ETHANE/CO2 COMPRESSOR(S), ETHANE COOLERS AND ETHANE COOLER COMPONENTS

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 NSR Rule] 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. All equipment shall be maintained in good operating condition and shall be operated in a manner to minimize emissions of air contaminants into the atmosphere. [District NSR Rule] Federally Enforceable Through Title V Permit
4. No air contaminant shall be released into the atmosphere which causes a public nuisance. [District Rule 4102]
5. 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] Federally Enforceable Through Title V Permit
6. Particulate matter emissions shall not exceed 0.1 grains/dscf in concentration. [District Rule 4201] 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.

Sayed Sadredin, Executive Director / APCO

DAVID WARNER, Director of Permit Services

S-2234-231-0 : Dec 2 2010 8:04AM - EDGEHLR : Joint Inspection NOT Required

7. 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
8. 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
9. 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
10. VOC fugitive emissions shall not exceed 1.1 lb/day. [District Rule 2201] Federally Enforceable Through Title V Permit
11. 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
12. Disturbances of soil related to any construction, demolition, excavation, extraction, or other earthmoving activities shall comply with the requirements for fugitive dust control in District Rule 8021 unless specifically exempted under Section 4.0 of Rule 8021 or Rule 8011. [District Rules 8011 and 8021] Federally Enforceable Through Title V Permit
13. An owner/operator shall submit a Dust Control Plan to the APCO prior to the start of any construction activity on any site that will include 10 acres or more of disturbed surface area for residential developments, or 5 acres or more of disturbed surface area for non-residential development, or will include moving, depositing, or relocating more than 2,500 cubic yards per day of bulk materials on at least three days. [District Rules 8011 and 8021] Federally Enforceable Through Title V Permit
14. An owner/operator shall prevent or cleanup any carryout or trackout in accordance with the requirements of District Rule 8041 Section 5.0, unless specifically exempted under Section 4.0 of Rule 8041 (8/19/04) or Rule 8011(8/19/04). [District Rules 8011 and 8021] Federally Enforceable Through Title V Permit
15. Whenever open areas are disturbed, or vehicles are used in open areas, the facility shall comply with the requirements of Section 5.0 of District Rule 8051, unless specifically exempted under Section 4.0 of Rule 8051 or Rule 8011. [District Rules 8011 and 8051] Federally Enforceable Through Title V Permit
16. Any paved road or unpaved road shall comply with the requirements of District Rule 8061 unless specifically exempted under Section 4.0 of Rule 8061 or Rule 8011. [District Rules 8011 and 8061] Federally Enforceable Through Title V Permit
17. Water, gravel, roadmix, or chemical/organic dust stabilizers/suppressants, vegetative materials, or other District-approved control measure shall be applied to unpaved vehicle travel areas as required to limit Visible Dust Emissions to 20% opacity and comply with the requirements for a stabilized unpaved road as defined in Section 3.59 of District Rule 8011. [District Rule 8011 and 8071] Federally Enforceable Through Title V Permit
18. Where dusting materials are allowed to accumulate on paved surfaces, the accumulation shall be removed daily or water and/or chemical/organic dust stabilizers/suppressants shall be applied to the paved surface as required to maintain continuous compliance with the requirements for a stabilized unpaved road as defined in Section 3.59 of District Rule 8011 and limit Visible Dust Emissions (VDE) to 20% opacity. [District Rule 8011 and 8071] Federally Enforceable Through Title V Permit

CONDITIONS CONTINUE ON NEXT PAGE

19. On each day that 50 or more Vehicle Daily Trips or 25 or more Vehicle Daily Trips with 3 axles or more will occur on an unpaved vehicle/equipment traffic area, permittee shall apply water, gravel, roadmix, or chemical/organic dust stabilizers/suppressants, vegetative materials, or other District-approved control measure as required to limit Visible Dust Emissions to 20% opacity and comply with the requirements for a stabilized unpaved road as defined in Section 3.59 of District Rule 8011. [District Rule 8011 and 8071] Federally Enforceable Through Title V Permit
20. Whenever any portion of the site becomes inactive, Permittee shall restrict access and periodically stabilize any disturbed surface to comply with the conditions for a stabilized surface as defined in Section 3.58 of District Rule 8011. [District Rules 8011 and 8071] Federally Enforceable Through Title V Permit
21. Records and other supporting documentation shall be maintained as required to demonstrate compliance with the requirements of the rules under Regulation VIII only for those days that a control measure was implemented. Such records shall include the type of control measure(s) used, the location and extent of coverage, and the date, amount, and frequency of application of dust suppressant, manufacturer's dust suppressant product information sheet that identifies the name of the dust suppressant and application instructions. Records shall be kept for one year following project completion that results in the termination of all dust generating activities. [District Rules 8011, 8031, and 8071] Federally Enforceable Through Title V Permit
22. 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] Federally Enforceable Through Title V Permit
23. Prior to operating equipment under this Authority to Construct, permittee shall surrender VOC emission reduction credits for the following quantity of emissions: 1st quarter - 104 lb, 2nd quarter - 104 lb, 3rd quarter - 104 lb, and fourth quarter - 104 lb. Offsets shall be provided at the applicable offset ratio specified in Table 4-2 of Rule 2201 (as amended 12/18/08). [District Rule 2201] Federally Enforceable Through Title V Permit
24. ERC Certificate Number S-2822-1 (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



San Joaquin Valley
AIR POLLUTION CONTROL DISTRICT



HEALTHY AIR LIVING™

AUTHORITY TO CONSTRUCT

PERMIT NO: S-2234-232-0

ISSUANCE DATE: 12/02/2010

LEGAL OWNER OR OPERATOR: OCCIDENTAL OF ELK HILLS INC
MAILING ADDRESS: 10800 STOCKDALE HWY
BAKERSFIELD, CA 93311

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

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

EQUIPMENT DESCRIPTION:
METHANOL INJECTION SYSTEM WITH PERMIT EXEMPT (<250 GALLON) METHANOL TANK

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 NSR Rule] 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. All equipment shall be maintained in good operating condition and shall be operated in a manner to minimize emissions of air contaminants into the atmosphere. [District NSR Rule] Federally Enforceable Through Title V Permit
4. No air contaminant shall be released into the atmosphere which causes a public nuisance. [District Rule 4102]
5. 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] Federally Enforceable Through Title V Permit
6. Particulate matter emissions shall not exceed 0.1 grains/dscf in concentration. [District Rule 4201] 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


DAVID WARNER, Director of Permit Services
S-2234-232-0 : Dec 2 2010 8:04AM - EDGEHILL : Joint Inspection NOT Required

7. 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
8. 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
9. 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
10. VOC fugitive emissions shall not exceed 0.1 lb/day. [District Rule 2201] Federally Enforceable Through Title V Permit
11. 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
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13. An owner/operator shall submit a Dust Control Plan to the APCO prior to the start of any construction activity on any site that will include 10 acres or more of disturbed surface area for residential developments, or 5 acres or more of disturbed surface area for non-residential development, or will include moving, depositing, or relocating more than 2,500 cubic yards per day of bulk materials on at least three days. [District Rules 8011 and 8021] Federally Enforceable Through Title V Permit
14. An owner/operator shall prevent or cleanup any carryout or trackout in accordance with the requirements of District Rule 8041 Section 5.0, unless specifically exempted under Section 4.0 of Rule 8041 (8/19/04) or Rule 8011(8/19/04). [District Rules 8011 and 8021] Federally Enforceable Through Title V Permit
15. Whenever open areas are disturbed, or vehicles are used in open areas, the facility shall comply with the requirements of Section 5.0 of District Rule 8051, unless specifically exempted under Section 4.0 of Rule 8051 or Rule 8011. [District Rules 8011 and 8051] Federally Enforceable Through Title V Permit
16. Any paved road or unpaved road shall comply with the requirements of District Rule 8061 unless specifically exempted under Section 4.0 of Rule 8061 or Rule 8011. [District Rules 8011 and 8061] Federally Enforceable Through Title V Permit
17. Water, gravel, roadmix, or chemical/organic dust stabilizers/suppressants, vegetative materials, or other District-approved control measure shall be applied to unpaved vehicle travel areas as required to limit Visible Dust Emissions to 20% opacity and comply with the requirements for a stabilized unpaved road as defined in Section 3.59 of District Rule 8011. [District Rule 8011 and 8071] Federally Enforceable Through Title V Permit
18. Where dusting materials are allowed to accumulate on paved surfaces, the accumulation shall be removed daily or water and/or chemical/organic dust stabilizers/suppressants shall be applied to the paved surface as required to maintain continuous compliance with the requirements for a stabilized unpaved road as defined in Section 3.59 of District Rule 8011 and limit Visible Dust Emissions (VDE) to 20% opacity. [District Rule 8011 and 8071] Federally Enforceable Through Title V Permit

CONDITIONS CONTINUE ON NEXT PAGE

19. On each day that 50 or more Vehicle Daily Trips or 25 or more Vehicle Daily Trips with 3 axles or more will occur on an unpaved vehicle/equipment traffic area, permittee shall apply water, gravel, roadmix, or chemical/organic dust stabilizers/suppressants, vegetative materials, or other District-approved control measure as required to limit Visible Dust Emissions to 20% opacity and comply with the requirements for a stabilized unpaved road as defined in Section 3.59 of District Rule 8011. [District Rule 8011 and 8071] Federally Enforceable Through Title V Permit
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22. 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] Federally Enforceable Through Title V Permit



San Joaquin Valley
AIR POLLUTION CONTROL DISTRICT



AUTHORITY TO CONSTRUCT

PERMIT NO: S-2234-233-0

ISSUANCE DATE: 12/02/2010

LEGAL OWNER OR OPERATOR: OCCIDENTAL OF ELK HILLS INC
MAILING ADDRESS: 10800 STOCKDALE HWY
BAKERSFIELD, CA 93311

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

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

EQUIPMENT DESCRIPTION:
2000 GALLON AMINE SUMP TANK

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 NSR Rule] 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. All equipment shall be maintained in good operating condition and shall be operated in a manner to minimize emissions of air contaminants into the atmosphere. [District NSR Rule] Federally Enforceable Through Title V Permit
4. No air contaminant shall be released into the atmosphere which causes a public nuisance. [District Rule 4102]
5. 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] Federally Enforceable Through Title V Permit
6. Particulate matter emissions shall not exceed 0.1 grains/dscf in concentration. [District Rule 4201] 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.

Sayed Sadredin, Executive Director / APCO

DAVID WARNER, Director of Permit Services

S-2234-233-0 : Dec 2 2010 8:04AM - EDEHILR : Joint Inspection NOT Required

7. 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
8. 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
9. 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
10. VOC fugitive emissions shall not exceed 0.2 lb/day. [District Rule 2201] Federally Enforceable Through Title V Permit
11. Monthly average daily throughput shall not exceed 132 gallons per day. [District Rule 2201] Federally Enforceable Through Title V Permit
12. True Vapor Pressure (TVP) of any organic liquid introduced to or stored in the sump shall not exceed 0.5 psia. [District Rules 2201 and 4623] Federally Enforceable Through Title V Permit
13. The permittee shall maintain monthly records of the tank throughput and TVP of the organic liquid introduced or stored in the sump. [District Rule 1070] Federally Enforceable Through Title V Permit
14. Disturbances of soil related to any construction, demolition, excavation, extraction, or other earthmoving activities shall comply with the requirements for fugitive dust control in District Rule 8021 unless specifically exempted under Section 4.0 of Rule 8021 or Rule 8011. [District Rules 8011 and 8021] Federally Enforceable Through Title V Permit
15. An owner/operator shall submit a Dust Control Plan to the APCO prior to the start of any construction activity on any site that will include 10 acres or more of disturbed surface area for residential developments, or 5 acres or more of disturbed surface area for non-residential development, or will include moving, depositing, or relocating more than 2,500 cubic yards per day of bulk materials on at least three days. [District Rules 8011 and 8021] Federally Enforceable Through Title V Permit
16. An owner/operator shall prevent or cleanup any carryout or trackout in accordance with the requirements of District Rule 8041 Section 5.0, unless specifically exempted under Section 4.0 of Rule 8041 (8/19/04) or Rule 8011(8/19/04). [District Rules 8011 and 8021] Federally Enforceable Through Title V Permit
17. Whenever open areas are disturbed, or vehicles are used in open areas, the facility shall comply with the requirements of Section 5.0 of District Rule 8051, unless specifically exempted under Section 4.0 of Rule 8051 or Rule 8011. [District Rules 8011 and 8051] Federally Enforceable Through Title V Permit
18. Any paved road or unpaved road shall comply with the requirements of District Rule 8061 unless specifically exempted under Section 4.0 of Rule 8061 or Rule 8011. [District Rules 8011 and 8061] Federally Enforceable Through Title V Permit
19. Water, gravel, roadmix, or chemical/organic dust stabilizers/suppressants, vegetative materials, or other District-approved control measure shall be applied to unpaved vehicle travel areas as required to limit Visible Dust Emissions to 20% opacity and comply with the requirements for a stabilized unpaved road as defined in Section 3.59 of District Rule 8011. [District Rule 8011 and 8071] Federally Enforceable Through Title V Permit
20. Where dusting materials are allowed to accumulate on paved surfaces, the accumulation shall be removed daily or water and/or chemical/organic dust stabilizers/suppressants shall be applied to the paved surface as required to maintain continuous compliance with the requirements for a stabilized unpaved road as defined in Section 3.59 of District Rule 8011 and limit Visible Dust Emissions (VDE) to 20% opacity. [District Rule 8011 and 8071] Federally Enforceable Through Title V Permit

CONDITIONS CONTINUE ON NEXT PAGE

21. On each day that 50 or more Vehicle Daily Trips or 25 or more Vehicle Daily Trips with 3 axles or more will occur on an unpaved vehicle/equipment traffic area, permittee shall apply water, gravel, roadmix, or chemical/organic dust stabilizers/suppressants, vegetative materials, or other District-approved control measure as required to limit Visible Dust Emissions to 20% opacity and comply with the requirements for a stabilized unpaved road as defined in Section 3.59 of District Rule 8011. [District Rule 8011 and 8071] Federally Enforceable Through Title V Permit
22. Whenever any portion of the site becomes inactive, Permittee shall restrict access and periodically stabilize any disturbed surface to comply with the conditions for a stabilized surface as defined in Section 3.58 of District Rule 8011. [District Rules 8011 and 8071] Federally Enforceable Through Title V Permit
23. Records and other supporting documentation shall be maintained as required to demonstrate compliance with the requirements of the rules under Regulation VIII only for those days that a control measure was implemented. Such records shall include the type of control measure(s) used, the location and extent of coverage, and the date, amount, and frequency of application of dust suppressant, manufacturer's dust suppressant product information sheet that identifies the name of the dust suppressant and application instructions. Records shall be kept for one year following project completion that results in the termination of all dust generating activities. [District Rules 8011, 8031, and 8071] Federally Enforceable Through Title V Permit
24. 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] Federally Enforceable Through Title V Permit



San Joaquin Valley
AIR POLLUTION CONTROL DISTRICT



HEALTHY AIR LIVING™

AUTHORITY TO CONSTRUCT

PERMIT NO: S-2234-234-0

ISSUANCE DATE: 12/02/2010

LEGAL OWNER OR OPERATOR: OCCIDENTAL OF ELK HILLS INC
MAILING ADDRESS: 10800 STOCKDALE HWY
BAKERSFIELD, CA 93311

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

SECTION: NW35 **TOWNSHIP:** 30S **RANGE:** R23E

EQUIPMENT DESCRIPTION:
3000 GALLON GLYCOL SUMP TANK

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 NSR Rule] 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. All equipment shall be maintained in good operating condition and shall be operated in a manner to minimize emissions of air contaminants into the atmosphere. [District NSR Rule] Federally Enforceable Through Title V Permit
4. No air contaminant shall be released into the atmosphere which causes a public nuisance. [District Rule 4102] Federally Enforceable Through Title V Permit
5. 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] Federally Enforceable Through Title V Permit
6. Particulate matter emissions shall not exceed 0.1 grains/dscf in concentration. [District Rule 4201] 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

DAVID WARNER, Director of Permit Services

S-2234-234-0: Dec 2 2010 8:04AM - EDGEHILL : Joint Inspection NOT Required

7. 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
8. 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
9. 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
10. VOC fugitive emissions shall not exceed 0.4 lb/day. [District Rule 2201] Federally Enforceable Through Title V Permit
11. Monthly average daily throughput shall not exceed 197 gallons per day. [District Rule 2201] Federally Enforceable Through Title V Permit
12. True Vapor Pressure (TVP) of any organic liquid introduced to or stored in the sump shall not exceed 0.5 psia. [District Rules 2201 and 4623] Federally Enforceable Through Title V Permit
13. The permittee shall maintain monthly records of the tank throughput and TVP of the organic liquid introduced or stored in the sump. [District Rule 1070] Federally Enforceable Through Title V Permit
14. Disturbances of soil related to any construction, demolition, excavation, extraction, or other earthmoving activities shall comply with the requirements for fugitive dust control in District Rule 8021 unless specifically exempted under Section 4.0 of Rule 8021 or Rule 8011. [District Rules 8011 and 8021] Federally Enforceable Through Title V Permit
15. An owner/operator shall submit a Dust Control Plan to the APCO prior to the start of any construction activity on any site that will include 10 acres or more of disturbed surface area for residential developments, or 5 acres or more of disturbed surface area for non-residential development, or will include moving, depositing, or relocating more than 2,500 cubic yards per day of bulk materials on at least three days. [District Rules 8011 and 8021] Federally Enforceable Through Title V Permit
16. An owner/operator shall prevent or cleanup any carryout or trackout in accordance with the requirements of District Rule 8041 Section 5.0, unless specifically exempted under Section 4.0 of Rule 8041 (8/19/04) or Rule 8011(8/19/04). [District Rules 8011 and 8021] Federally Enforceable Through Title V Permit
17. Whenever open areas are disturbed, or vehicles are used in open areas, the facility shall comply with the requirements of Section 5.0 of District Rule 8051, unless specifically exempted under Section 4.0 of Rule 8051 or Rule 8011. [District Rules 8011 and 8051] Federally Enforceable Through Title V Permit
18. Any paved road or unpaved road shall comply with the requirements of District Rule 8061 unless specifically exempted under Section 4.0 of Rule 8061 or Rule 8011. [District Rules 8011 and 8061] Federally Enforceable Through Title V Permit
19. Water, gravel, roadmix, or chemical/organic dust stabilizers/suppressants, vegetative materials, or other District-approved control measure shall be applied to unpaved vehicle travel areas as required to limit Visible Dust Emissions to 20% opacity and comply with the requirements for a stabilized unpaved road as defined in Section 3.59 of District Rule 8011. [District Rule 8011 and 8071] Federally Enforceable Through Title V Permit
20. Where dusting materials are allowed to accumulate on paved surfaces, the accumulation shall be removed daily or water and/or chemical/organic dust stabilizers/suppressants shall be applied to the paved surface as required to maintain continuous compliance with the requirements for a stabilized unpaved road as defined in Section 3.59 of District Rule 8011 and limit Visible Dust Emissions (VDE) to 20% opacity. [District Rule 8011 and 8071] Federally Enforceable Through Title V Permit

CONDITIONS CONTINUE ON NEXT PAGE

21. On each day that 50 or more Vehicle Daily Trips or 25 or more Vehicle Daily Trips with 3 axles or more will occur on an unpaved vehicle/equipment traffic area, permittee shall apply water, gravel, roadmix, or chemical/organic dust stabilizers/suppressants, vegetative materials, or other District-approved control measure as required to limit Visible Dust Emissions to 20% opacity and comply with the requirements for a stabilized unpaved road as defined in Section 3.59 of District Rule 8011. [District Rule 8011 and 8071] Federally Enforceable Through Title V Permit
22. Whenever any portion of the site becomes inactive, Permittee shall restrict access and periodically stabilize any disturbed surface to comply with the conditions for a stabilized surface as defined in Section 3.58 of District Rule 8011. [District Rules 8011 and 8071] Federally Enforceable Through Title V Permit
23. Records and other supporting documentation shall be maintained as required to demonstrate compliance with the requirements of the rules under Regulation VIII only for those days that a control measure was implemented. Such records shall include the type of control measure(s) used, the location and extent of coverage, and the date, amount, and frequency of application of dust suppressant, manufacturer's dust suppressant product information sheet that identifies the name of the dust suppressant and application instructions. Records shall be kept for one year following project completion that results in the termination of all dust generating activities. [District Rules 8011, 8031, and 8071] Federally Enforceable Through Title V Permit
24. 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] Federally Enforceable Through Title V Permit



San Joaquin Valley
AIR POLLUTION CONTROL DISTRICT



AUTHORITY TO CONSTRUCT

PERMIT NO: S-2234-235-0

ISSUANCE DATE: 12/02/2010

LEGAL OWNER OR OPERATOR: OCCIDENTAL OF ELK HILLS INC
MAILING ADDRESS: 10800 STOCKDALE HWY
BAKERSFIELD, CA 93311

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

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

EQUIPMENT DESCRIPTION:

250 MMSCF/DAY EMERGENCY USE SMOKELESS SONIC FLARE WITH FLARE HEADER AND FLARE KNOCK OUT DRUM

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 NSR Rule] 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. The permittee shall obtain written District approval for the use of any equivalent equipment not specifically approved by this Authority to Construct. Approval of the equivalent equipment shall be made only after the District's determination that the submitted design and performance of the proposed alternate equipment is equivalent to the specifically authorized equipment. [District Rule 2201] Federally Enforceable Through Title V Permit
4. The permittee's request for approval of equivalent equipment shall include the make, model, manufacturer's maximum rating, manufacturer's guaranteed emission rates, equipment drawing(s), and operational characteristics/parameters. [District Rule 2201] Federally Enforceable Through Title V Permit
5. Alternate equipment shall be of the same class and category of source as the equipment authorized by the 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

DAVID WARNER, Director of Permit Services

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6. No emission factor and no emission shall be greater for the alternate equipment than for the proposed equipment. No changes in the hours of operation, operating rate, throughput, or firing rate may be authorized for any alternate equipment. [District Rule 2201] Federally Enforceable Through Title V Permit
7. 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
8. 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
9. 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
10. VOC fugitive emissions shall not exceed 0.2 lb/day. [District Rule 2201] Federally Enforceable Through Title V Permit
11. 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
12. Flare shall be equipped with waste gas volume flow metering system. [District Rule 2201] Federally Enforceable Through Title V Permit
13. 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
14. Flare shall be equipped with continuous pilot light or automatic re-ignition provisions. [District Rule 2201] Federally Enforceable Through Title V Permit
15. Gas line to flare shall be equipped with operational, volumetric flow rate indicator. [District Rule 2201] Federally Enforceable Through Title V Permit
16. 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
17. 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
18. This flare shall be operated only for testing and maintenance of the flare, required regulatory purposes, and during emergency situations. Total hours of operation for all maintenance, testing, and required regulatory purposes shall not exceed 200 hours per calendar year. [District Rule 2201] Federally Enforceable Through Title V Permit
19. Maximum amount of gas combusted shall not exceed 267,750 MMBtu/day. [District Rule 2201] Federally Enforceable Through Title V Permit
20. Emissions from the flare shall not exceed any of the following limits (based on total gas combusted): NO_x (as NO₂): 0.068 lb/MMBtu; PM₁₀: 0.008 lb/MMBtu; CO: 0.37 lb/MMBtu; or VOC: 0.063 lb/MMBtu. [District Rule 2201] Federally Enforceable Through Title V Permit
21. 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

CONDITIONS CONTINUE ON NEXT PAGE

22. 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
23. 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
24. Permittee shall keep accurate records of daily and annual quantity of gas combusted. [District Rule 2201] Federally Enforceable Through Title V Permit
25. 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
26. 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]
27. The permittee shall maintain monthly records of emergency and non-emergency operation. Records shall include the number of hours of emergency operation, the date and number of hours of all testing and maintenance operations, and the purpose of the operation. [District Rule 2201] Federally Enforceable Through Title V Permit
28. 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
29. Disturbances of soil related to any construction, demolition, excavation, extraction, or other earthmoving activities shall comply with the requirements for fugitive dust control in District Rule 8021 unless specifically exempted under Section 4.0 of Rule 8021 or Rule 8011. [District Rules 8011 and 8021] Federally Enforceable Through Title V Permit
30. An owner/operator shall submit a Dust Control Plan to the APCO prior to the start of any construction activity on any site that will include 10 acres or more of disturbed surface area for residential developments, or 5 acres or more of disturbed surface area for non-residential development, or will include moving, depositing, or relocating more than 2,500 cubic yards per day of bulk materials on at least three days. [District Rules 8011 and 8021] Federally Enforceable Through Title V Permit
31. An owner/operator shall prevent or cleanup any carryout or trackout in accordance with the requirements of District Rule 8041 Section 5.0, unless specifically exempted under Section 4.0 of Rule 8041 (8/19/04) or Rule 8011(8/19/04). [District Rules 8011 and 8021] Federally Enforceable Through Title V Permit
32. Whenever open areas are disturbed, or vehicles are used in open areas, the facility shall comply with the requirements of Section 5.0 of District Rule 8051, unless specifically exempted under Section 4.0 of Rule 8051 or Rule 8011. [District Rules 8011 and 8051] Federally Enforceable Through Title V Permit
33. Any paved road or unpaved road shall comply with the requirements of District Rule 8061 unless specifically exempted under Section 4.0 of Rule 8061 or Rule 8011. [District Rules 8011 and 8061] Federally Enforceable Through Title V Permit
34. Water, gravel, roadmix, or chemical/organic dust stabilizers/suppressants, vegetative materials, or other District-approved control measure shall be applied to unpaved vehicle travel areas as required to limit Visible Dust Emissions to 20% opacity and comply with the requirements for a stabilized unpaved road as defined in Section 3.59 of District Rule 8011. [District Rule 8011 and 8071] Federally Enforceable Through Title V Permit
35. Where dusting materials are allowed to accumulate on paved surfaces, the accumulation shall be removed daily or water and/or chemical/organic dust stabilizers/suppressants shall be applied to the paved surface as required to maintain continuous compliance with the requirements for a stabilized unpaved road as defined in Section 3.59 of District Rule 8011 and limit Visible Dust Emissions (VDE) to 20% opacity. [District Rule 8011 and 8071] Federally Enforceable Through Title V Permit
36. On each day that 50 or more Vehicle Daily Trips or 25 or more Vehicle Daily Trips with 3 axles or more will occur on an unpaved vehicle/equipment traffic area, permittee shall apply water, gravel, roadmix, or chemical/organic dust stabilizers/suppressants, vegetative materials, or other District-approved control measure as required to limit Visible Dust Emissions to 20% opacity and comply with the requirements for a stabilized unpaved road as defined in Section 3.59 of District Rule 8011. [District Rule 8011 and 8071] Federally Enforceable Through Title V Permit

CONDITIONS CONTINUE ON NEXT PAGE

37. Whenever any portion of the site becomes inactive, Permittee shall restrict access and periodically stabilize any disturbed surface to comply with the conditions for a stabilized surface as defined in Section 3.58 of District Rule 8011. [District Rules 8011 and 8071] Federally Enforceable Through Title V Permit
38. Records and other supporting documentation shall be maintained as required to demonstrate compliance with the requirements of the rules under Regulation VIII only for those days that a control measure was implemented. Such records shall include the type of control measure(s) used, the location and extent of coverage, and the date, amount, and frequency of application of dust suppressant, manufacturer's dust suppressant product information sheet that identifies the name of the dust suppressant and application instructions. Records shall be kept for one year following project completion that results in the termination of all dust generating activities. [District Rules 8011, 8031, and 8071] Federally Enforceable Through Title V Permit
39. 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] Federally Enforceable Through Title V Permit



San Joaquin Valley
AIR POLLUTION CONTROL DISTRICT



AUTHORITY TO CONSTRUCT

PERMIT NO: S-2234-236-0

ISSUANCE DATE: 12/02/2010

LEGAL OWNER OR OPERATOR: OCCIDENTAL OF ELK HILLS INC
MAILING ADDRESS: 10800 STOCKDALE HWY
BAKERSFIELD, CA 93311

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

SECTION: NW35 TOWNSHIP: 30S RANGE: 23E

EQUIPMENT DESCRIPTION:
300 BBL AMINE STORAGE TANK SERVED BY VAPOR CONTROL SYSTEM

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 NSR Rule] 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. All equipment shall be maintained in good operating condition and shall be operated in a manner to minimize emissions of air contaminants into the atmosphere. [District NSR Rule] Federally Enforceable Through Title V Permit
4. No air contaminant shall be released into the atmosphere which causes a public nuisance. [District Rule 4102]
5. 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] Federally Enforceable Through Title V Permit
6. 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

CONDITIONS CONTINUE ON NEXT PAGE

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Seyed Sadredin, Executive Director / APCO

DAVID WARNER, Director of Permit Services

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7. Storage tank and all piping, valves, and fittings shall be constructed and maintained in a leak-free condition. [District Rules 2201 and 4623] Federally Enforceable Through Title V Permit
8. 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 Rules 2201 and 4623] Federally Enforceable Through Title V Permit
9. VOC fugitive emissions shall not exceed 0.0 lb/day. [District Rule 2201] Federally Enforceable Through Title V Permit
10. Gas-leak concentration shall be determined by EPA Method 21. [District Rule 2201] Federally Enforceable Through Title V Permit
11. Storage 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 that reduces the inlet VOC emissions by at least 99% by weight as determined by the test method specified in Section 6.4.7. [District Rules 2201 and 4623] Federally Enforceable Through Title V Permit
12. 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 Rules 2201 and 4623] Federally Enforceable Through Title V Permit
13. Any tank gauging or sampling device on storage tank vented to the vapor recovery system shall be equipped with a leak-free cover which shall be closed at all times except during gauging or sampling. [District Rules 2201 and 4623] Federally Enforceable Through Title V Permit
14. Operator shall visually inspect storage 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 shell and roof of the uninsulated tank for structural integrity annually. [District Rules 2210 and 4623] Federally Enforceable Through Title V Permit
15. Upon detection of a liquid leak from storage tank, 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] Federally Enforceable Through Title V Permit
16. Upon detection of a gas leak, defined as a VOC concentration of greater than 2,000 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] Federally Enforceable Through Title V Permit
17. 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] Federally Enforceable Through Title V Permit

CONDITIONS CONTINUE ON NEXT PAGE

18. If a component type for storage tank is found to leak during an annual inspection, operator shall conduct quarterly inspections of that component type on the tank for four consecutive quarters. If no components are found to leak after four consecutive quarters, the operator may revert to annual inspections. [District Rules 2201 and 4623] Federally Enforceable Through Title V Permit
19. 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 the leak to lowest possible level within 8 hours after detection. [District Rules 2201 and 4623] Federally Enforceable Through Title V Permit
20. Disturbances of soil related to any construction, demolition, excavation, extraction, or other earthmoving activities shall comply with the requirements for fugitive dust control in District Rule 8021 unless specifically exempted under Section 4.0 of Rule 8021 or Rule 8011. [District Rules 8011 and 8021] Federally Enforceable Through Title V Permit
21. An owner/operator shall submit a Dust Control Plan to the APCO prior to the start of any construction activity on any site that will include 10 acres or more of disturbed surface area for residential developments, or 5 acres or more of disturbed surface area for non-residential development, or will include moving, depositing, or relocating more than 2,500 cubic yards per day of bulk materials on at least three days. [District Rules 8011 and 8021] Federally Enforceable Through Title V Permit
22. An owner/operator shall prevent or cleanup any carryout or trackout in accordance with the requirements of District Rule 8041 Section 5.0, unless specifically exempted under Section 4.0 of Rule 8041 (8/19/04) or Rule 8011(8/19/04). [District Rules 8011 and 8021] Federally Enforceable Through Title V Permit
23. Whenever open areas are disturbed, or vehicles are used in open areas, the facility shall comply with the requirements of Section 5.0 of District Rule 8051, unless specifically exempted under Section 4.0 of Rule 8051 or Rule 8011. [District Rules 8011 and 8051] Federally Enforceable Through Title V Permit
24. Any paved road or unpaved road shall comply with the requirements of District Rule 8061 unless specifically exempted under Section 4.0 of Rule 8061 or Rule 8011. [District Rules 8011 and 8061] Federally Enforceable Through Title V Permit
25. Water, gravel, roadmix, or chemical/organic dust stabilizers/suppressants, vegetative materials, or other District-approved control measure shall be applied to unpaved vehicle travel areas as required to limit Visible Dust Emissions to 20% opacity and comply with the requirements for a stabilized unpaved road as defined in Section 3.59 of District Rule 8011. [District Rule 8011 and 8071] Federally Enforceable Through Title V Permit
26. Where dusting materials are allowed to accumulate on paved surfaces, the accumulation shall be removed daily or water and/or chemical/organic dust stabilizers/suppressants shall be applied to the paved surface as required to maintain continuous compliance with the requirements for a stabilized unpaved road as defined in Section 3.59 of District Rule 8011 and limit Visible Dust Emissions (VDE) to 20% opacity. [District Rule 8011 and 8071] Federally Enforceable Through Title V Permit
27. On each day that 50 or more Vehicle Daily Trips or 25 or more Vehicle Daily Trips with 3 axles or more will occur on an unpaved vehicle/equipment traffic area, permittee shall apply water, gravel, roadmix, or chemical/organic dust stabilizers/suppressants, vegetative materials, or other District-approved control measure as required to limit Visible Dust Emissions to 20% opacity and comply with the requirements for a stabilized unpaved road as defined in Section 3.59 of District Rule 8011. [District Rule 8011 and 8071] Federally Enforceable Through Title V Permit
28. Whenever any portion of the site becomes inactive, Permittee shall restrict access and periodically stabilize any disturbed surface to comply with the conditions for a stabilized surface as defined in Section 3.58 of District Rule 8011. [District Rules 8011 and 8071] Federally Enforceable Through Title V Permit
29. Records and other supporting documentation shall be maintained as required to demonstrate compliance with the requirements of the rules under Regulation VIII only for those days that a control measure was implemented. Such records shall include the type of control measure(s) used, the location and extent of coverage, and the date, amount, and frequency of application of dust suppressant, manufacturer's dust suppressant product information sheet that identifies the name of the dust suppressant and application instructions. Records shall be kept for one year following project completion that results in the termination of all dust generating activities. [District Rules 8011, 8031, and 8071] Federally Enforceable Through Title V Permit

CONDITIONS CONTINUE ON NEXT PAGE

30. 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] Federally Enforceable Through Title V Permit



San Joaquin Valley
AIR POLLUTION CONTROL DISTRICT



HEALTHY AIR LIVING™

AUTHORITY TO CONSTRUCT

PERMIT NO: S-2234-237-0

ISSUANCE DATE: 12/02/2010

LEGAL OWNER OR OPERATOR: OCCIDENTAL OF ELK HILLS INC
MAILING ADDRESS: 10800 STOCKDALE HWY
BAKERSFIELD, CA 93311

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

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

EQUIPMENT DESCRIPTION:
300 BBL FRESH WATER TANK SERVED BY VAPOR CONTROL SYSTEM

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 NSR Rule] 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. All equipment shall be maintained in good operating condition and shall be operated in a manner to minimize emissions of air contaminants into the atmosphere. [District NSR Rule] Federally Enforceable Through Title V Permit
4. No air contaminant shall be released into the atmosphere which causes a public nuisance. [District Rule 4102]
5. 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] Federally Enforceable Through Title V Permit
6. 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

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.

Sayed Sadredin, Executive Director / APCO


DAVID WARNER, Director of Permit Services

Southern Regional Office • 34946 Flyover Court • Bakersfield, CA 93308 • (661) 392-5500 • Fax (661) 392-5585

Printed on recycled paper. ♻️

7. Storage tank and all piping, valves, and fittings shall be constructed and maintained in a leak-free condition. [District Rules 2201 and 4623] Federally Enforceable Through Title V Permit
8. 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 Rules 2201 and 4623] Federally Enforceable Through Title V Permit
9. VOC fugitive emissions shall not exceed 0.0 lb/day. [District Rule 2201] Federally Enforceable Through Title V Permit
10. Gas-leak concentration shall be determined by EPA Method 21. [District Rule 2201] Federally Enforceable Through Title V Permit
11. Storage 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 that reduces the inlet VOC emissions by at least 99% by weight as determined by the test method specified in Section 6.4.7. [District Rules 2201 and 4623] Federally Enforceable Through Title V Permit
12. 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 Rules 2201 and 4623] Federally Enforceable Through Title V Permit
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CONDITIONS CONTINUE ON NEXT PAGE

18. If a component type for storage tank is found to leak during an annual inspection, operator shall conduct quarterly inspections of that component type on the tank for four consecutive quarters. If no components are found to leak after four consecutive quarters, the operator may revert to annual inspections. [District Rules 2201 and 4623] Federally Enforceable Through Title V Permit
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21. An owner/operator shall submit a Dust Control Plan to the APCO prior to the start of any construction activity on any site that will include 10 acres or more of disturbed surface area for residential developments, or 5 acres or more of disturbed surface area for non-residential development, or will include moving, depositing, or relocating more than 2,500 cubic yards per day of bulk materials on at least three days. [District Rules 8011 and 8021] Federally Enforceable Through Title V Permit
22. An owner/operator shall prevent or cleanup any carryout or trackout in accordance with the requirements of District Rule 8041 Section 5.0, unless specifically exempted under Section 4.0 of Rule 8041 (8/19/04) or Rule 8011(8/19/04). [District Rules 8011 and 8021] Federally Enforceable Through Title V Permit
23. Whenever open areas are disturbed, or vehicles are used in open areas, the facility shall comply with the requirements of Section 5.0 of District Rule 8051, unless specifically exempted under Section 4.0 of Rule 8051 or Rule 8011. [District Rules 8011 and 8051] Federally Enforceable Through Title V Permit
24. Any paved road or unpaved road shall comply with the requirements of District Rule 8061 unless specifically exempted under Section 4.0 of Rule 8061 or Rule 8011. [District Rules 8011 and 8061] Federally Enforceable Through Title V Permit
25. Water, gravel, roadmix, or chemical/organic dust stabilizers/suppressants, vegetative materials, or other District-approved control measure shall be applied to unpaved vehicle travel areas as required to limit Visible Dust Emissions to 20% opacity and comply with the requirements for a stabilized unpaved road as defined in Section 3.59 of District Rule 8011. [District Rule 8011 and 8071] Federally Enforceable Through Title V Permit
26. Where dusting materials are allowed to accumulate on paved surfaces, the accumulation shall be removed daily or water and/or chemical/organic dust stabilizers/suppressants shall be applied to the paved surface as required to maintain continuous compliance with the requirements for a stabilized unpaved road as defined in Section 3.59 of District Rule 8011 and limit Visible Dust Emissions (VDE) to 20% opacity. [District Rule 8011 and 8071] Federally Enforceable Through Title V Permit
27. On each day that 50 or more Vehicle Daily Trips or 25 or more Vehicle Daily Trips with 3 axles or more will occur on an unpaved vehicle/equipment traffic area, permittee shall apply water, gravel, roadmix, or chemical/organic dust stabilizers/suppressants, vegetative materials, or other District-approved control measure as required to limit Visible Dust Emissions to 20% opacity and comply with the requirements for a stabilized unpaved road as defined in Section 3.59 of District Rule 8011. [District Rule 8011 and 8071] Federally Enforceable Through Title V Permit
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29. Records and other supporting documentation shall be maintained as required to demonstrate compliance with the requirements of the rules under Regulation VIII only for those days that a control measure was implemented. Such records shall include the type of control measure(s) used, the location and extent of coverage, and the date, amount, and frequency of application of dust suppressant, manufacturer's dust suppressant product information sheet that identifies the name of the dust suppressant and application instructions. Records shall be kept for one year following project completion that results in the termination of all dust generating activities. [District Rules 8011, 8031, and 8071] Federally Enforceable Through Title V Permit

CONDITIONS CONTINUE ON NEXT PAGE

30. 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] Federally Enforceable Through Title V Permit



San Joaquin Valley
AIR POLLUTION CONTROL DISTRICT



AUTHORITY TO CONSTRUCT

PERMIT NO: S-2234-238-0

ISSUANCE DATE: 12/02/2010

LEGAL OWNER OR OPERATOR: OCCIDENTAL OF ELK HILLS INC
MAILING ADDRESS: 10800 STOCKDALE HWY
BAKERSFIELD, CA 93311

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

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

EQUIPMENT DESCRIPTION:
500 BBL PRODUCED WATER STORAGE TANK SERVED BY VAPOR CONTROL SYSTEM

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 NSR Rule] 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. All equipment shall be maintained in good operating condition and shall be operated in a manner to minimize emissions of air contaminants into the atmosphere. [District NSR Rule] Federally Enforceable Through Title V Permit
4. No air contaminant shall be released into the atmosphere which causes a public nuisance. [District Rule 4102]
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6. 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

CONDITIONS CONTINUE ON NEXT PAGE

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Seyed Sadredin, Executive Director / APCO

DAVID WARNER, Director of Permit Services

S-2234-238-0 : Dec 2 2010 8:04AM - EDGEHILL : Joint Inspection NOT Required

7. Storage tank and all piping, valves, and fittings shall be constructed and maintained in a leak-free condition. [District Rules 2201 and 4623] Federally Enforceable Through Title V Permit
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24. Any paved road or unpaved road shall comply with the requirements of District Rule 8061 unless specifically exempted under Section 4.0 of Rule 8061 or Rule 8011. [District Rules 8011 and 8061] Federally Enforceable Through Title V Permit
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San Joaquin Valley
AIR POLLUTION CONTROL DISTRICT



AUTHORITY TO CONSTRUCT

PERMIT NO: S-2234-239-0

ISSUANCE DATE: 12/02/2010

LEGAL OWNER OR OPERATOR: OCCIDENTAL OF ELK HILLS INC
MAILING ADDRESS: 10800 STOCKDALE HWY
BAKERSFIELD, CA 93311

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

SECTION: NW35 TOWNSHIP: 30S RANGE: 23E

EQUIPMENT DESCRIPTION:
500 BBL SLOP OIL TANK

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 NSR Rule] 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. All equipment shall be maintained in good operating condition and shall be operated in a manner to minimize emissions of air contaminants into the atmosphere. [District NSR Rule] Federally Enforceable Through Title V Permit
4. No air contaminant shall be released into the atmosphere which causes a public nuisance. [District Rule 4102]
5. 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

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

DAVID WARNER, Director of Permit Services

S-2234-239-0: Dec 2 2010 8:04AM - EDGEHILL : Joint Inspection NOT Required

6. 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
7. 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
8. VOC emissions shall not exceed 0.4 lb/day. [District Rule 2201] Federally Enforceable Through Title V Permit
9. This tank shall only store, place, or hold organic liquid with a true vapor pressure (TVP) of less than 0.5 psia under all storage conditions. [District Rules 2201 and 4623] Federally Enforceable Through Title V Permit
10. Monthly average daily throughput shall not exceed 660 gallons per day. [District Rule 2201] Federally Enforceable Through Title V Permit
11. Permittee shall conduct TVP and API gravity 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 Rule 4623] Federally Enforceable Through Title V Permit
12. TVP of an organic liquid shall be determined by measuring the Reid Vapor Pressure (RVP) using ASTM D323-94 (Test Method for Vapor Pressure for Petroleum Products), and converting the RVP to TVP at the tank's maximum organic liquid storage temperature. The conversion of RVP to TVP shall be done in accordance with the procedure listed in Appendix B of Rule 4623. Should the permittee determine that another method is more appropriate for TVP testing, the methodology must be approved by the District and US EPA prior to its use. [District Rule 4623] Federally Enforceable Through Title V Permit
13. 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. Should the permittee determine that another method is more appropriate for TVP testing, the methodology must be approved by the District and US EPA prior to its use. [District Rule 4623] Federally Enforceable Through Title V Permit
14. TVP and API gravity test records shall be submitted to the District within 45 days after the date of testing. The record shall include the tank identification number, permit number, type of stored organic liquid, TVP and API gravity of the stored organic liquid, test methods used, and a copy of the test results. [District Rule 4623] Federally Enforceable Through Title V Permit
15. The permittee shall keep accurate records of each organic liquid stored in the tank, including its throughput, storage temperature, TVP, and API gravity. [District Rules 2201 and 4623] Federally Enforceable Through Title V Permit
16. Disturbances of soil related to any construction, demolition, excavation, extraction, or other earthmoving activities shall comply with the requirements for fugitive dust control in District Rule 8021 unless specifically exempted under Section 4.0 of Rule 8021 or Rule 8011. [District Rules 8011 and 8021] Federally Enforceable Through Title V Permit
17. An owner/operator shall submit a Dust Control Plan to the APCO prior to the start of any construction activity on any site that will include 10 acres or more of disturbed surface area for residential developments, or 5 acres or more of disturbed surface area for non-residential development, or will include moving, depositing, or relocating more than 2,500 cubic yards per day of bulk materials on at least three days. [District Rules 8011 and 8021] Federally Enforceable Through Title V Permit
18. An owner/operator shall prevent or cleanup any carryout or trackout in accordance with the requirements of District Rule 8041 Section 5.0, unless specifically exempted under Section 4.0 of Rule 8041 (8/19/04) or Rule 8011(8/19/04). [District Rules 8011 and 8021] Federally Enforceable Through Title V Permit

CONDITIONS CONTINUE ON NEXT PAGE

19. Whenever open areas are disturbed, or vehicles are used in open areas, the facility shall comply with the requirements of Section 5.0 of District Rule 8051, unless specifically exempted under Section 4.0 of Rule 8051 or Rule 8011. [District Rules 8011 and 8051] Federally Enforceable Through Title V Permit
20. Any paved road or unpaved road shall comply with the requirements of District Rule 8061 unless specifically exempted under Section 4.0 of Rule 8061 or Rule 8011. [District Rules 8011 and 8061] Federally Enforceable Through Title V Permit
21. Water, gravel, roadmix, or chemical/organic dust stabilizers/suppressants, vegetative materials, or other District-approved control measure shall be applied to unpaved vehicle travel areas as required to limit Visible Dust Emissions to 20% opacity and comply with the requirements for a stabilized unpaved road as defined in Section 3.59 of District Rule 8011. [District Rule 8011 and 8071] Federally Enforceable Through Title V Permit
22. Where dusting materials are allowed to accumulate on paved surfaces, the accumulation shall be removed daily or water and/or chemical/organic dust stabilizers/suppressants shall be applied to the paved surface as required to maintain continuous compliance with the requirements for a stabilized unpaved road as defined in Section 3.59 of District Rule 8011 and limit Visible Dust Emissions (VDE) to 20% opacity. [District Rule 8011 and 8071] Federally Enforceable Through Title V Permit
23. On each day that 50 or more Vehicle Daily Trips or 25 or more Vehicle Daily Trips with 3 axles or more will occur on an unpaved vehicle/equipment traffic area, permittee shall apply water, gravel, roadmix, or chemical/organic dust stabilizers/suppressants, vegetative materials, or other District-approved control measure as required to limit Visible Dust Emissions to 20% opacity and comply with the requirements for a stabilized unpaved road as defined in Section 3.59 of District Rule 8011. [District Rule 8011 and 8071] Federally Enforceable Through Title V Permit
24. Whenever any portion of the site becomes inactive, Permittee shall restrict access and periodically stabilize any disturbed surface to comply with the conditions for a stabilized surface as defined in Section 3.58 of District Rule 8011. [District Rules 8011 and 8071] Federally Enforceable Through Title V Permit
25. Records and other supporting documentation shall be maintained as required to demonstrate compliance with the requirements of the rules under Regulation VIII only for those days that a control measure was implemented. Such records shall include the type of control measure(s) used, the location and extent of coverage, and the date, amount, and frequency of application of dust suppressant, manufacturer's dust suppressant product information sheet that identifies the name of the dust suppressant and application instructions. Records shall be kept for one year following project completion that results in the termination of all dust generating activities. [District Rules 8011, 8031, and 8071] Federally Enforceable Through Title V Permit
26. 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] Federally Enforceable Through Title V Permit



San Joaquin Valley
AIR POLLUTION CONTROL DISTRICT



AUTHORITY TO CONSTRUCT

PERMIT NO: S-2234-240-0

ISSUANCE DATE: 12/02/2010

LEGAL OWNER OR OPERATOR: OCCIDENTAL OF ELK HILLS INC
MAILING ADDRESS: 10800 STOCKDALE HWY
BAKERSFIELD, CA 93311

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

SECTION: NW35 TOWNSHIP: 30S RANGE: 23E

EQUIPMENT DESCRIPTION:
175 HP TIER 3 CERTIFIED DIESEL- FIRED IC ENGINE POWERING AN EMERGENCY FIREWATER PUMP

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 NSR Rule] 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. The permittee shall obtain written District approval for the use of any equivalent equipment not specifically approved by this Authority to Construct. Approval of the equivalent equipment shall be made only after the District's determination that the submitted design and performance of the proposed alternate equipment is equivalent to the specifically authorized equipment. [District Rule 2201] Federally Enforceable Through Title V Permit
4. The permittee's request for approval of equivalent equipment shall include the make, model, manufacturer's maximum rating, manufacturer's guaranteed emission rates, equipment drawing(s), and operational characteristics/parameters. [District Rule 2201] Federally Enforceable Through Title V Permit
5. Alternate equipment shall be of the same class and category of source as the equipment authorized by the Authority to Construct. [District Rule 2201] Federally Enforceable Through Title V Permit

CONDITIONS CONTINUE ON NEXT PAGE

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Seyed Sadredin, Executive Director / APCO


DAVID WARNER, Director of Permit Services
S-2234-240-0 : Dec 2 2010 8:04AM - EDGEHLR : Joint Inspection NOT Required

6. No emission factor and no emission shall be greater for the alternate equipment than for the proposed equipment. No changes in the hours of operation, operating rate, throughput, or firing rate may be authorized for any alternate equipment. [District Rule 2201] Federally Enforceable Through Title V Permit
7. No air contaminant shall be released into the atmosphere which causes a public nuisance. [District Rule 4102]
8. Particulate matter emissions shall not exceed 0.1 grains/dscf in concentration. [District Rule 4201] Federally Enforceable Through Title V Permit
9. 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] Federally Enforceable Through Title V Permit
10. Only CARB certified diesel fuel containing not more than 0.0015% sulfur by weight is to be used. [District Rules 2201 and 4801 and 17 CCR 93115] Federally Enforceable Through Title V Permit
11. This engine shall be equipped with an operational non-resettable elapsed time meter or other APCO approved alternative. [District Rule 4702] Federally Enforceable Through Title V Permit
12. The emergency use of the engine shall be limited to operation required for providing primary mechanical or electrical power during an unscheduled outage caused by a sudden and reasonably unforeseen natural disaster or a sudden and reasonably unforeseen event beyond the control of the operator. [District Rules 2201 and 4702] Federally Enforceable Through Title V Permit
13. The exhaust stack shall vent vertically upward. The vertical exhaust flow shall not be impeded by a rain cap (flapper ok), roof overhang, or any other obstruction. [District Rule 4102] Federally Enforceable Through Title V Permit
14. The permittee shall maintain monthly records of emergency and non-emergency operation. Records shall include the number of hours of emergency operation, the date and number of hours of all testing and maintenance operations, and the purpose of the operation (for example: load testing, weekly testing, rolling blackout, general area power outage, etc.). For units with automated testing systems, the operator may, as an alternative to keeping records of actual operation for testing purposes, maintain a readily accessible written record of the automated testing schedule. [District Rule 4702 and 17 CCR 93115] Federally Enforceable Through Title V Permit
15. This engine shall be operated only for testing and maintenance of the engine, required regulatory purposes, and during emergency situations. For testing purposes, the engine shall only be operated the number of hours necessary to comply with the testing requirements of the National Fire Protection Association (NFPA) 25 - "Standard for the Inspection, Testing, and Maintenance of Water-Based Fire Protection Systems", 1998 edition. Total hours of operation for all maintenance, testing, and required regulatory purposes shall not exceed 24 hours per calendar year. [District Rule 4702 and 17 CCR 93115] Federally Enforceable Through Title V Permit
16. Emissions from this IC engine shall not exceed any of the following limits: 2.685 g-NOx/bhp-hr, 1.193 g-CO/bhp-hr, or 0.075 g-VOC/bhp-hr. [District Rule 2201, 4701, 4702, and 13 CCR 2423 and 17 CCR 93115] Federally Enforceable Through Title V Permit
17. The PM10 emissions rate shall not exceed 0.127 g/bhp-hr based on US EPA certification using ISO 8178 test procedure. [District Rules 2201 and 4102 and 13 CCR 2423] Federally Enforceable Through Title V Permit
18. All records shall be maintained and retained on-site for a minimum of five (5) years, and shall be made available for District inspection upon request. [District Rule 4702 and 17 CCR 93115] Federally Enforceable Through Title V Permit

EHP Steam Export Project Fuel and Water Balance

Basis: Base load operation, 80 Mlb/hr of HP steam extracted

HOURLY BASIS	Combined Cycle	Cogen	Difference with Cogen	Units
EHP Output				
Power	483	470	(13)	MW
HP Steam Extracted	0	80	80	Mlb/hr
HP Steam Exported	0	93	93	Mlb/hr
Thermal Energy Exported	0	96	96	MMBtu/hr

Fuel Consumption

Elk Hills Power	3,336	3,336	0	MMBtu/hr
CGP1 Fired Heater	200	62	(138)	MMBtu/hr
Condensate Handling Facility	4	0	(4)	MMBtu/hr
Total	3,540	3,398	(142)	MMBtu/hr
Fuel Chargeable to Power	6,907	6,796	(111)	Btu/kWh

Effective Heat Rate factoring in thermal energy export

Water Usage

Elk Hills Power	2,046	1,778	(268)	gpm
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Reduction in water evaporated at cooling tower and blow down

Emission Reduction - Total Project

CO ₂	10,816	3,300	(7,516)	kg/hr
NO _x	1.3	0.4	(0.9)	lb/hr
SO _x	0.5	0.2	(0.4)	lb/hr
PM10	1.6	0.5	(1.1)	lb/hr
CO	7.8	2.3	(5.5)	lb/hr
VOC	1.2	0.3	(0.8)	lb/hr

ANNUAL BASIS	Combined Cycle	Cogen	Difference with Cogen	Units
EHP Output				
Power	483	470	(13)	MW
HP Steam Extracted	0	701	701	MMlb/yr
HP Steam Exported	0	815	815	MMlb/yr
Thermal Energy Exported	0	844	844	MMMBtu/yr

Fuel Consumption

Elk Hills Power	29,223	29,223	0	MMMBtu/yr
CGP1 Fired Heater	1,752	546	(1,206)	MMMBtu/yr
Condensate Handling Facility	38	0	(38)	MMMBtu/yr
Total	31,013	29,770	(1,243)	MMMBtu/yr
Fuel Chargeable to Power	6,907	6,796	(111)	Btu/kWh

Effective Heat Rate factoring in thermal energy export

Water Usage

Elk Hills Power	3,300	2,868	(432)	acre-feet/year
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Reduction in water evaporated at cooling tower and blow down

Emission Reduction

CO ₂	94,749	28,908	(65,841)	MT/year
NO _x	5.7	1.7	(4.0)	tpy
SO _x	2.4	0.7	(1.7)	tpy
PM10	6.9	2.1	(4.8)	tpy
CO	34.0	10.1	(23.9)	tpy
VOC	5.2	1.5	(3.7)	tpy

Notes

- 1,344 BTU/lb enthalpy of exported steam
- 308 BTU/lb enthalpy of condensate return
- 7,000 heat rate for power generation
- 70.0% CGP1 Fired Heater thermal efficiency. HHV
- 70.0% Condensate Handling Facility Heater thermal efficiency. HHV

ON ROAD VEHICLE CONSTRUCTION EMISSIONS

**San Joaquin Valley Onroad Mobile Source Fleet
EMFAC2007 Fleet Statistics and Fleet Emission Factors**

2010 Fleet Emission Factors By Vehicle Type

Year	EMFAC2007 Vehicle			EMFAC2007 San Joaquin Valley Fleet Emission Factors G/MT						
	Class	Type	Description	NOx	VOC	CO	Exh-PM10	Tot-PM10	SOx	CO2
2010	01	LDA	Passenger Cars	0.324	0.390	3.852	0.013	0.033	0.004	376.16
2010	02	LDT1	Light-Duty Trucks	0.506	0.532	5.392	0.016	0.036	0.004	458.44
2010	03	LDT2	Light-Duty Trucks	0.619	0.499	5.174	0.028	0.049	0.005	465.79
2010	04	MDV	Medium-Duty Trucks	0.733	0.486	5.754	0.026	0.047	0.006	638.16
2010	05	LHD1	Light-Heavy Duty Trucks	2.519	1.118	8.423	0.024	0.049	0.008	875.02
2010	06	LHD2	Light-Heavy Duty Trucks	3.820	1.073	7.163	0.042	0.066	0.007	757.80
2010	07	MHD	Medium-Heavy Duty Trucks	8.737	1.235	10.967	0.271	0.296	0.013	1408.9
2010	08	HHD	Heavy-Heavy Duty Trucks	16.55	1.276	6.033	0.621	0.685	0.018	1878.4
2010	09	OBUS	Other Buses	7.946	1.725	20.704	0.170	0.194	0.008	1164.3
2010	10	UBUS	Urban Buses	15.42	1.390	10.846	0.250	0.268	0.017	2116.8
2010	11	MCY	Motor Cycles	1.356	4.631	43.884	0.038	0.049	0.003	145.23
2010	12	SBUS	School Buses	12.01	0.973	11.328	0.508	0.531	0.014	1433.8
2010	13	MH	Motor Homes	2.901	0.683	17.177	0.027	0.054	0.009	792.02

2011 Fleet Emission Factors By Vehicle Type

Year	EMFAC2007 Vehicle			EMFAC2007 San Joaquin Valley Fleet Emission Factors G/MT						
	Class	Type	Description	NOx	VOC	CO	Exh-PM10	Tot-PM10	SOx	CO2
2011	01	LDA	Passenger Cars	0.288	0.348	3.464	0.013	0.034	0.004	378.53
2011	02	LDT1	Light-Duty Trucks	0.454	0.488	4.882	0.016	0.036	0.005	462.18
2011	03	LDT2	Light-Duty Trucks	0.564	0.468	4.788	0.029	0.050	0.005	470.15
2011	04	MDV	Medium-Duty Trucks	0.680	0.467	5.426	0.028	0.048	0.006	643.75
2011	05	LHD1	Light-Heavy Duty Trucks	2.391	1.051	7.703	0.024	0.048	0.008	879.03
2011	06	LHD2	Light-Heavy Duty Trucks	3.570	0.992	6.360	0.041	0.065	0.008	761.17
2011	07	MHD	Medium-Heavy Duty Trucks	7.920	1.097	9.915	0.254	0.278	0.013	1405.3
2011	08	HHD	Heavy-Heavy Duty Trucks	15.08	1.183	5.625	0.562	0.625	0.018	1877.9
2011	09	OBUS	Other Buses	7.457	1.631	19.847	0.159	0.183	0.008	1182.9
2011	10	UBUS	Urban Buses	15.26	1.395	10.864	0.244	0.266	0.017	2102.8
2011	11	MCY	Motor Cycles	1.324	4.409	39.640	0.035	0.045	0.002	150.62
2011	12	SBUS	School Buses	11.77	0.962	10.997	0.511	0.530	0.014	1436.8
2011	13	MH	Motor Homes	2.710	0.601	14.944	0.026	0.050	0.009	790.94

Occidental Of Elk Hills - Onroad Mobile Source Emissions

On Road Mobile Source Emissions From Construction Worker Commute (2011)

Year	Vehicle Category and Use			Trips Per Day	Trips Per Year	VMT Per Trip	VMT Per Day	VMT Per Year	Project Emissions From Onroad Mobile Sources (Tons/Year)						
	Class	Type	Vehicle Use						NOx	VOC	CO	Exh-PM	Tot-PM1	SOx	CO2
2011	01	LDA	Con-Employee	66.00	4662.00	25.00	1650.0	116550	0.037	0.045	0.445	0.002	0.004	0.000	48.630
Annual Emissions From Mobile Source Activities (Employees, Shipping and Receiveing)									0.037	0.045	0.445	0.002	0.004	0.000	48.630

OFF ROAD
VEHICLE
CONSTRUCTION
EMISSIONS

Occidental Of Elk Hills - Offroad Equipment

Off Road Construction Equipment
Project ID OEHI2011-STMLINE

Construction Phase	Starting Date		Schedule		Fuel Type	Eng. HP	Equip. Count	Construction Equipment/Activity	OFFROAD 2007 Description & Code	
	YYYY	MM	Op. Days	Hr/Day					Equipment Description	Code
A-Earth Work	2011	07	5.00	8.00	D	380.0	1.00	623 Scraper- Land preparation	Scrapers	227000201
	2011	07	5.00	8.00	D	130.0	1.00	140 Motor Grader - Land	Graders	227000204
	2011	07	5.00	8.00	D	350.0	1.00	Water Truck - Dust Control	Off-highway Trucks	227000205
B-Concrete	2011	07	5.00	8.00	D	85.00	2.00	Backhoe	Tractors/Loaders/Backhoes	227000206
	2011	07	2.00	8.00	D	350.0	2.00	Cement Truck	Off-highway Trucks	227000205
C-Fabrication	2011	07	2.00	8.00	D	350.0	1.00	Crane - Setup Heat Exchanger	Cranes	227000204
	2011	07	70.00	8.00	D	250.0	1.00	Crane - Unload Pipe	Cranes	227000204
	2011	07	70.00	8.00	D	250.0	1.00	Side Boom	Cranes	227000204
	2011	07	70.00	8.00	D	45.00	4.00	Welders	Welders	227000602
	2011	07	70.00	8.00	D	350.0	1.00	Water Truck - Dust Control	Off-highway Trucks	227000205

San Joaquin Valley Offroad Mobile Source Fleet
OFFROAD2007 Fleet Emission Factors

2011 Fleet Emission Factors By Vehicle Type

Year	Offroad Equipment Equipment Description	MAX HP	Emissions Factors For Construction Equipment (Lb/Gallon)						
			NOx	VOC	CO	Exh-PM10	SOx	CO2	CH4
2011	Scrapers	500.0	0.220	0.024	0.096	0.009	0.000	21.962	0.002
2011	Cranes	250.0	0.227	0.023	0.064	0.008	0.000	22.038	0.002
2011	Cranes	500.0	0.202	0.021	0.075	0.008	0.000	22.054	0.002
2011	Graders	175.0	0.224	0.029	0.130	0.013	0.000	21.885	0.003
2011	Off-highway Trucks	500.0	0.172	0.019	0.057	0.006	0.000	22.022	0.002
2011	Tractors/Loaders/Backhoes	120.0	0.223	0.035	0.151	0.020	0.000	21.860	0.003
2011	Welders	50.0	0.222	0.094	0.242	0.023	0.000	21.455	0.008

Occidental Of Elk Hills - Emissions from Construction Activity

2011 Construction Emissions by Vehicle Type

Year	Construction Phase	Offroad Equipment Equipment Description	Equipment Characteristics			Emissions From Construction Equipment (Tons Per Year)						
			Load	Fuel GPH	Op. Hr/Day	NOx	VOC	CO	Exh-PM10	SOx	CO2	CH4
2011	A-Earth Work	623 Scrapper- Land	0.72	14.61	8.00	0.064	0.007	0.028	0.003	0.000	6.416	0.001
2011	A-Earth Work	140 Motor Grader - Land	0.61	5.67	8.00	0.025	0.003	0.015	0.001	0.000	2.483	0.000
2011	A-Earth Work	Water Truck - Dust	0.57	12.34	8.00	0.042	0.005	0.014	0.002	0.000	5.434	0.000
2011	B-Concrete	Cement Truck	0.57	12.34	8.00	0.034	0.004	0.011	0.001	0.000	4.347	0.000
2011	B-Concrete	Backhoe	0.55	2.37	8.00	0.021	0.003	0.014	0.002	0.000	2.069	0.000
2011	C-Fabrication	Side Boom	0.43	5.08	8.00	0.323	0.033	0.092	0.012	0.000	31.353	0.003
2011	C-Fabrication	Crane - Unload Pipe	0.43	5.08	8.00	0.323	0.033	0.092	0.012	0.000	31.353	0.003
2011	C-Fabrication	Crane - Setup Heat	0.43	8.19	8.00	0.013	0.001	0.005	0.001	0.000	1.444	0.000
2011	C-Fabrication	Water Truck - Dust	0.57	12.34	8.00	0.594	0.066	0.197	0.022	0.001	76.080	0.006
2011	C-Fabrication	Welders	0.45	1.21	8.00	0.300	0.127	0.327	0.030	0.000	28.981	0.011
Total Construction Emissions for 2011 (TPY)			-----	-----	-----	1.739	0.282	0.795	0.086	0.001	189.96	0.024

