Southern Ute Indian Tribe
Environmental Programs Division
Air Quality Program
151 County Road 517
Ignacio, Colorado 81137

AIR POLLUTION CONTROL
TITLE V PERMIT TO OPERATE

In accordance with the provisions of Title V of the Clean Air Act (42 U.S.C. 7661-7661f) and Part 1, Article II of the Southern Ute Indian Tribe/State of Colorado Environmental Commission's Reservation Air Code (RAC) and applicable rules and regulations,

BP America Production Company
Dry Creek Central Delivery Point

is authorized to operate air emission units and to conduct other air pollutant emitting activities in accordance with the permit conditions listed in this permit.

This source is authorized to operate at the following location:

Southern Ute Indian Reservation
SW¼, Section 5U, T34N, R7W
La Plata County, Colorado

Terms not otherwise defined in this permit have the meaning assigned to them in the referenced regulations. All terms and conditions of the permit are enforceable by the Tribe and citizens under the Clean Air Act.

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Brenda Jarrell, Air Quality Program Manager
Environmental Programs Division
Southern Ute Indian Tribe

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AIR POLLUTION CONTROL
TITLE V PERMIT TO OPERATE
BP America Production Company
Dry Creek Central Delivery Point

Permit Number: V-SUIT-0038-2014.00
[Replaces Permit No.: V-SU-0038-08.00]

Issue Date: {TBD}
Effective Date: {TBD}
Expiration Date: {TBD}

The permit number cited above should be referenced in future correspondence regarding this facility.

Permit Issuance History

DATE OF ISSUANCE	TYPE OF ACTION	SECTION NUMBER AND TITLE	DESCRIPTION OF ACTION
January 2004	Initial Part 71 Permit Issued Administrative Amendment Administrative Amendment Administrative Amendment Administrative Amendment Administrative Amendment Minor Modification		# V-SU-0038-03.00 Six Revisions: #V-SU-0038.03-01 #V-SU-0038.03-02 #V-SU-0038.03-03 #V-SU-0038.03-04 #V-SU-0038.03-05 #V-SU-0038.03-06
October 2009	1st Renewal Permit Issued		# V-SU-0038-08.00
{TBD}	Initial Part 70 Permit issued		# V-SUIT-0038-2014.00

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Abbreviations and Acronyms

AQP	Southern Ute Indian Tribe's Air Quality Program
bbls	Barrels
BACT	Best Available Control Technology
CAA	Clean Air Act [42 U.S.C. Section 7401 et seq.]
CAM	Compliance Assurance Monitoring
CEMS	Continuous Emission Monitoring System
CFR	Code of Federal Regulations
CMS	Continuous Monitoring System (includes COMS, CEMS and diluent monitoring)
COMS	Continuous Opacity Monitoring System
CO	Carbon monoxide
CO_2	Carbon dioxide
dscf	Dry standard cubic foot
dscm	Dry standard cubic meter
EPA	United States Environmental Protection Agency
FGD	Flue gas desulfurization
gal	Gallon
GPM	Gallons per minute
H_2S	Hydrogen sulfide
HAP	Hazardous Air Pollutant
hr	Hour
ID	Identification Number
kg	Kilogram
lbs	Pounds
MACT	Maximum Achievable Control Technology
Mg	Megagram
MMBtu	Million British Thermal Units
mo	Month
NESHAP	National Emission Standards for Hazardous Air Pollutants
NMHC	Non-methane hydrocarbons
NO_x	Nitrogen Oxides
NSPS	New Source Performance Standard
NSR	New Source Review
pH	Negative logarithm of effective hydrogen ion concentration (acidity)
PM	Particulate Matter
PM_{10}	Particulate matter less than 10 microns in diameter
ppbvd	Parts per billion by volume, dry
ppm	Parts per million
ppmvd	Parts per million by volume, dry
PSD	Prevention of Significant Deterioration
PTE	Potential to Emit
psi	Pounds per square inch
psia	Pounds per square inch absolute
RAC	Southern Ute Indian Tribe/State of Colorado Environmental Commission's Reservation Air Code
RICE	Reciprocating Internal Combustion Engine
RMP	Risk Management Plan
scfm	Standard cubic feet per minute
SO_2	Sulfur Dioxide
SUIT	Southern Ute Indian Tribe
tpy	Ton(s) Per Year
Tribe	Southern Ute Indian Tribe
US EPA	United States Environmental Protection Agency
VOC	Volatile Organic Compounds

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I. Source Information and Emission Unit Identification

I.A. Source Information

Parent Company Name: BP America Production Company

Plant Name: Dry Creek Central Delivery Point

Plant Location: SW¼ Section 5U, T34N, R7W
Latitude: N 37.213598
Longitude: W 107.640711

State: Colorado

Reservation: Southern Ute Indian Reservation

County: La Plata County

Responsible Official: Onshore Site Manager, San Juan North

SIC Code: 1311

AFS Plant Identification Number: 08-067-U0019

Other Clean Air Act Permits: This permit replaces the facility's EPA-issued part 71 permit (V-SU-038-08.00). There are no other CAA permits issued to this facilityTitle V Operating Permit: Title V Operating Permit:

Description of Process:

Dry Creek Central Delivery Point (Dry Creek CDP) is a natural gas compression facility located in southwestern Colorado within the exterior boundaries of the Southern Ute Indian Reservation. The facility compresses coal bed methane gas from wells in the Fruitland formation. Dry Creek CDP does not handle any condensate or natural gas liquids.

Natural gas entering the compressor station first passes through an inlet separator vessel to remove any free liquids in the gas stream by gravity. The gas then passes to a filter vessel at the inlet to each compressor, which serves to filter out any solids such as coal dust in the gas. The gas stream then passes to a distribution header, which distributes gas to one of four compressors.

After compression the gas passes through an outlet coalescer vessel, which serves to remove any entrained droplets of lubricating oil carried over from the compressors. The gas then passes to one of three glycol absorber columns where it contacts a TEG solution. The purpose of this contact is to remove water vapor in the gas. The gas is then routed and metered into the medium pressure pipeline.

The pigging and pipeline clean-out system at Dry Creek CDP consists of one pig launcher and two pig receivers. The pigging operation is not a closed loop system; therefore, venting emissions are associated

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with the process. Calculations are included in the application and are based on the assumption that each pig is used twenty (20) times per year.

The primary emission units at Dry Creek CDP include four skid-mounted combinations of engine and compressor units and three tri-ethylene glycol (TEG) dehydrator/regenerator units. The four engines are four-stroke lean-burn (4SLB) spark ignition (SI) Waukesha 7042 GL reciprocating internal combustion engines (RICE) engines fueled by natural gas. Insignificant emission sources including several small storage tanks (< 500 gal), two 210 bbl produced water tanks, one 95 bbl water and oil sump tank, one 95 bbl residual TEG tank, natural gas-fired combustion units including tank heaters and reboilers, process fugitives, and venting emissions from pigging operations.

I.B. Source Emission Points

Table 1 – Emission Units
BP America Production Company, Dry Creek Central Delivery Point

Emission Unit ID	Description	Control Equipment
C-100 C-200 C-300	3 - Waukesha L7042GL (4SLB SI) Compressor Engines, 1,478 hp each Serial No.: C-11492-2 Installed: 07/2010 Serial No.: 365279 Installed: 05/2011 Serial No.: C-11100/7 Installed: 04/2011	Air to fuel ratio controller
C-400	1 - Waukesha L7042GL (4SLB SI) Compressor Engine, 1,478 hp Serial No.: 403605 Installed: 04/2012	Air to fuel ratio controller and oxidation catalyst (unenforceable)
Dehy1 Dehy2 Dehy3	3 –Tri-ethylene Glycol (TEG) Dehydrator Regenerators and Flash Tank Vents, 20 MMscf/d	None

Table 2 – Insignificant Emission Units
BP America Production Company, Dry Creek Central Delivery Point

Emission Unit ID	Description
N/A	1 - 95 bbl Used Oil Sump Tank
N/A	4 - 500 gal Lube Oil Tanks
N/A	2 - 300 gal Tri-ethylene Glycol (TEG) Storage Tanks
N/A	1 - 500 gal Tri-ethylene Glycol (TEG) Storage Tank
N/A	1 - 500 gal Ethylene Glycol (EG) Storage Tank
N/A	2 - 210 bbl Produced Water Tanks
N/A	2 - 250 MBtu/hr Tank Heaters
N/A	1 - 95 bbl Water and Oil Sump
N/A	1 - 500 MBtu/hr Tri-ethylene Glycol (TEG) Dehy Unit Reboiler
N/A	1 - 750 MBtu/hr Tri-ethylene Glycol (TEG) Dehy Unit Reboiler

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N/A	1 - 800 MBtu/hr Tri-ethylene Glycol (TEG) Dehy Unit Reboiler
N/A	1 - 95 bbl Residual Tri-ethylene Glycol (TEG) Sump Tank
N/A	Process fugitive emissions – (Estimated 411 subject components)
N/A	Pigging Operations (approximately 30 Mscf/yr)

II. Requirements for Engines

Emission units C-100, C-200, C-300, and C-400 are stationary RICE greater than 500 site-rated brake horsepower constructed prior to December 19, 2002. Therefore, all four units are considered existing stationary RICE. According to 40 CFR 63.6590(b)(3)(ii), existing spark ignition (SI) four stroke lean burn (4SLB) stationary RICE with a site rating of more than 500 bhp located at a major source of HAP emissions do not have to meet the requirements of subpart ZZZZ or 40 CFR Part 63, including initial notification requirements.

III. Facility-Wide Requirements

Conditions in this section of the permit apply to all emissions units located at the facility, including any units not specifically listed in Table 1 or Table 2 of the Source Emission Points section of this permit.

[RAC 2-110(1)(d)]

III.A. General Recordkeeping Requirements [RAC 2-110(6)]

The permittee shall comply with the following generally applicable recordkeeping requirements:

1. If the permittee determines that his or her stationary source that emits (or has the potential to emit, without federally recognized controls) one or more hazardous air pollutants is not subject to a relevant standard or other requirement established under 40 CFR part 63, the permittee shall keep a record of the applicability determination at BP's Durango Operations Center for a period of five years after the determination, or until the source changes its operations to become an affected source, whichever comes first. The record of the applicability determination shall include an analysis (or other information) that demonstrates why the permittee believes the source is unaffected (e.g., because the source is an area source).

   [40 CFR 63.10(b)(3)]

2. Records shall be kept of off permit changes made, as required by the Off Permit Changes section of this permit.

3. The permittee is the owner or operator of glycol dehydration units (Units: Dehy 1, Dehy 2, and Dehy 3) that are exempt from the control requirements under 40 CFR §63.764. The permittee shall retain each determination used to demonstrate that actual annual average flowrate of natural gas to each glycol dehydrator is less than 85,000 scm/day (3,000,000 scf/day) or the actual average benzene emissions of each dehydrator are below 1 tpy.

   [40 CFR 63.764(e)(1), 63.772(b)(2), and 63.774(d)(1)]

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III.B. General Reporting Requirements

1. The permittee shall submit to the Tribe all reports of any required monitoring under this permit semiannually. The report shall be submitted semi-annually, by April 1st and October 1st of each year. The report due on April 1st shall cover the July 1 - December 31 reporting period of the previous calendar year.. The report due on October 1st shall cover the January 1 - June 30 reporting period of the previous calendar year. The initial report shall cover the period from the issuance date of this permit through the end of the relevant semi-annual reporting period. All instances of deviations from permit requirements shall be clearly identified in such reports. All required reports shall be certified by a responsible official consistent with the **Submissions** section of this permit.

[RAC 2-110(7)(a)]

2. "Deviation" means any situation in which an emissions unit fails to meet a permit term or condition. A deviation is not always a violation. A deviation can be determined by observation or through review of data obtained from any testing, monitoring, or recordkeeping established in accordance with RAC 2-110(5) and (6). For a situation lasting more than 24 hours which constitutes a deviation, each 24 hour period is considered a separate deviation. Included in the meaning of deviation are any of the following:

   (a) A situation where emissions exceed an emission limitation or standard;

   (b) A situation where process or emissions control device parameter values indicate that an emission limitation or standard has not been met; or

   (c) A situation in which observations or data collected demonstrate noncompliance with an emission limitation or standard or any work practice or operating condition required by the permit.

   (d) A situation in which an exceedance or an excursion, as defined in 40 CFR Part 64 occurs.

[RAC 1-103(21)]

3. The permittee shall promptly report to the Tribe deviations from permit requirements, (including emergencies), including the date, time, duration, and the probable cause of such deviations, the quantity and pollutant type of excess emissions resulting from the deviation, and any preventative, mitigation, or corrective actions or measures taken. "Prompt" is defined as follows:

   (a) Where the underlying applicable requirement contains a definition of "prompt" or otherwise specifies a time frame for reporting deviations, that definition or time frame shall govern.

   (b) Where the underlying applicable requirement fails to address the time frame for reporting deviations, reports of deviations will be submitted based on the following schedule:

      (i) For emissions of a hazardous air pollutant or a toxic air pollutant (as identified in the applicable regulation) that continue for more than an hour in excess of permit

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requirements, the report must be made by telephone, verbal, or facsimile communication by the close of business the next working day, upon discovery of the occurrence, and in writing within 10 working days from the occurrence;

(ii) For emissions of any regulated air pollutant, excluding those listed in RAC § 2-110(7)(b)(i), that continue for more than 2 hours in excess of permit requirements, the report must be made by telephone, verbal, or facsimile communication by the close of business the next working day, upon discovery of the occurrence, and in writing within 10 working days from the occurrence;

(iii) For all other deviations from permit requirements, the report shall be contained in the report submitted with the semi-annual monitoring report.

[RAC 2-110(7)(b)]

III.C. Alternative Operating Scenarios [RAC 2-110(8)]

<u>Engine Replacement</u>

1. Replacement of an existing engine identified in this permit with a new or overhauled engine shall be allowed as an off-permit change pursuant to the Off Permit Changes provisions of this permit provided all of the following conditions are met:

(a) The engine exchange is not subject to any requirements under Title IV of the Clean Air Act and are not modifications under Title I of the Clean Air Act;

(b) The new or overhauled engine is of the same make, model, horsepower rating, and configured to operate in the same manner as the engine being replaced.

(c) The new or overhauled engine meets all applicable requirements identified in this permit that apply to the existing engine being replaced.

(d) All applicable requirements that apply to the new or overhauled engine are already identified in the permit. Replacement of an existing engine identified in this permit with a new or overhauled engine must utilize a Minor Permit Revision as specified in RAC 2-111(3) or a Significant Permit Revision as specified in RAC 2-111(4) to incorporate any new applicable requirements. The applicable requirements include, but may not be limited to:

(i) Standards of Performance for Stationary Spark Ignition Internal Combustion Engines at 40 CFR Part 60, Subpart JJJJ;
(ii) Standards of Performance for Stationary Compression Ignition Internal Combustion at 40 CFR Part 60, Subpart IIII;
(iii) National Emission Standard for Hazardous Air Pollutants for Stationary Reciprocating Internal Combustion Engines at 40 CFR Part 63, Subpart ZZZZ;
(iv) Requirements established in a permit or permits issued pursuant to the Federal Minor New Source Review Program in Indian Country at 40 CFR Part 49;
(v) Requirements established in a permit or permits issued pursuant to the Prevention of Significant Deterioration of Air Quality Program at 40 CFR Part 52; or
Requirements established in any promulgated Federal Implementation Plan that may apply to engines located on the Southern Ute Indian Reservation.

2. The Permittee shall provide contemporaneous written notice to the Tribe and the Administrator of any replacement of an existing engine identified in this permit with a new or overhauled engine. Such notice shall state when the exchange occurred and shall describe the change and any applicable requirement that would apply as a result of the change.

3. The Permittee shall keep a record of the engine exchange.

III.D. Permit Shield [RAC 2-110(10)(c)]

Nothing in this permit shall alter or affect the following:

1. The provisions of Section 303 of the Clean Air Act, 42 U.S.C. § 7603 concerning emergency powers, including the respective authorities of the Administrator under those sections.

2. The liability of a permittee for any violation of applicable requirements prior to or at the time of permit issuance;

3. The ability of the Administrator respectively to obtain information from a source pursuant to Section 114 of the Clean Air Act, 42 U.S.C. § 7414.

IV. Part 70 Administrative Requirements

IV.A. Annual Fee Payment [RAC 2-110(1)(h) and RAC 2-118]

1. An annual operating permit emission fee shall be paid to the Tribe by the permittee.

[RAC 2-118(2)]

2. The permittee shall pay the annual permit fee each year no later than April 1st for the preceding calendar year, except that the first annual permit fee will cover the period from the effective date of this permit through December 31 of the same year.

[RAC 2-118(2)]

3. Fee payments shall be remitted in the form of a money order, bank draft, certified check, corporate check, or electronic funds transfer payable to the Southern Ute Indian Tribe and sent or delivered by the United States Postal Service to the Tribe, c/o Environmental Programs Division Air Quality Program, P.O. Box 737 MS #84, Ignacio, Colorado 81137; or by common carrier (such as UPS or FedEx) c/o Environmental Programs Division Air Quality Program, 398 Ouray Drive, Ignacio, Colorado 81137.

[RAC 2-118(4)(a)]

4. The permittee shall send an updated fee calculation worksheet submitted annually by the same deadline as required for fee payment to the address listed in the **Submissions** section of this permit.

[RAC 2-118]

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5. Basis for calculating annual fee:

(a) Subtotal annual fees shall be calculated by multiplying the applicable emission fee set pursuant to RAC § 2-119(1) times the total tons of actual emissions for each fee pollutant. The permitte may, when in absence of actual emissions data, calculate the annual fee based on the potential to emit (as defined at RAC 1-103(51) for each fee pollutant. Emissions of any regulated air pollutant that already are included in the fee calculation under a category of regulated pollutant, such as a federally listed hazardous air pollutant that is already accounted for as a VOC or as PM10, shall be counted only once in determining the source's actual emissions.

[RAC 2-119(2)(a)]

(i) "Actual emissions" means the actual rate of emissions in tpy of any fee pollutant (for fee calculation) emitted from a title V source over the preceding calendar year or any other period determined by the Tribe to be more representative of normal operation and consistent with the fee schedule adopted by the Tribe and approved by the Administrator. Actual emissions shall be calculated using each emissions units actual operating hours, production rates, in-place control equipment, and types of materials processed, stored, or combusted during the preceding calendar year or other period used for this calculation.

[RAC 1-103(2)]

(ii) Actual emissions shall be computed using compliance methods required by the permit.

[RAC 2-118(1)(b)]

(iii) If actual emissions cannot be determined using the compliance methods in the permit, the permittee shall use other federally recognized procedures.

[RAC 2-118(1)(b)]

(b) The total annual fee submitted shall be the greater of the applicable minimum fee or the sum of subtotal annual fees for all fee pollutants emitted from the source.

[RAC 2-119(2)(b)]

[Explanatory note: The applicable emission fee amount and applicable minimum fee (if necessary) are revised each calendar year to account for inflation, and they are available from AQP prior to the start of each calendar year.]

(c) The permittee shall exclude the following emissions from the calculation of fees:

(i) The amount of actual emissions of any one fee pollutant that the source emits in excess of 4,000 tons per year

(ii) Any emissions that come from insignificant activities not required in a permit application pursuant to RAC § 2-106(4).

[RAC 1-103(2)(c)]

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6. Annual fee calculation worksheets shall be certified as to truth, accuracy, and completeness by a responsible official.

[RAC 2-105 and RAC 2-118(2)(c)]

7. Failure of the permittee to pay fees by the due date shall subject the permittee to assessment of penalties and interest in accordance with RAC § 2-118(6).

[RAC 2-118(6)]

8. When notified by the Tribe of underpayment of fees, the permittee shall remit full payment within 30 days of receipt of an invoice from the Tribe.

[RAC 2-119(3)(b)]

9. A permittee who thinks a Tribe assessed fee is in error and who wishes to challenge such fee shall provide a written explanation of the alleged error to the Tribe along with full payment of the assessed fee.

[RAC 2-119(3)(c)]

IV.B. Compliance Requirements

1. Compliance with the Permit

(a) The permittee must comply with all conditions of this part 70 permit. Any permit noncompliance with federally enforceable or Commission-only permit conditions constitutes a violation of the RAC and Clean Air Act and is grounds for enforcement action; for permit termination, revocation and reissuance, or revision; or for denial of a permit renewal application.

[RAC 2-110(3)(a)]

(b) It shall not be a defense for a permittee in an enforcement action that it would have been necessary to halt or reduce the permitted activity in order to maintain compliance with the conditions of this permit.

[RAC 2-110(3)(b)]

(c) All terms and conditions of this permit which are required under the Clean Air Act or under any of its applicable requirements, including any provisions designed to limit a source's potential to emit, are enforceable by the Administrator and citizens under the Clean Air Act, except terms and conditions the permit specifically designates as not being federally enforceable under the Clean Air Act that are not required under the Clean Air Act or under any of its applicable requirements. Terms and conditions so designated are not subject to the requirements of RAC §§ 2-108, 2-111, 2-112, other than those contained in this paragraph.

[RAC 2-110(3)(f)]

(d) This permit, or the filing or approval of a compliance plan, does not relieve any person from civil or criminal liability for failure to comply with the provisions of this code and the Clean Air Act, applicable regulations thereunder, and any other applicable law or regulation.

[RAC 2-110(3)(g)]

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(e) For the purpose of submitting compliance certifications in accordance with the Compliance Certifications condition below of this permit, or establishing whether or not a person has violated or is in violation of any requirement of this permit, nothing shall preclude the use, including the exclusive use, of any credible evidence or information, relevant to whether a source would have been in compliance with applicable requirements if the appropriate performance or compliance test or procedure had been performed.

[Section 113(a) and 113(e)(1) of the Act, 40 CFR 51.212, 52.12, 52.33, 60.11(g), and 61.12]

2. Compliance Certifications

The permittee shall submit to the Tribe and the Administrator an annual certification of compliance which shall certify the source's compliance status with all permit terms and conditions and all applicable requirements relevant to the source, including those related to emission limitations, standards, or work practices. The compliance certification shall be certified as to truth, accuracy, and completeness by a responsible official consistent with RAC § 2-110(9)(a). The certification of compliance shall be submitted annually by April 1st and shall cover the preceding calendar year in which the certification of compliance is due, except that the first annual certification of compliance will cover the period from the effective date of this permit through December 31 of the same year.

[RAC 2-110(9)(c)]

3. Compliance Schedule

(a) For applicable requirements with which the source is in compliance, the source will continue to comply with such requirements.

[RAC 2-106(4)(l)(ii)]

(b) For applicable requirements that will become effective during the permit term, the source shall meet such requirements on a timely basis.

[RAC 2-106(4)(l)(iii)]

IV.C. Duty to Provide and Supplement Information [RAC 2-110(7)(e), 2-106(5), and 2-124]

1. The permittee shall furnish to the Tribe, within a the period specified by the Tribe, any information that the Tribe request in writing to determine whether cause exists for modifying, revoking, and reissuing, or terminating the permit, or to determine compliance with the permit. Upon request, the permittee shall also furnish to the Tribe copies of records that are required to be kept by the permit, including information claimed to be confidential. Information claimed to be confidential must be accompanied by a claim of confidentiality according to the provisions of RAC 2-124.

[RAC 2-110(7)(e) and RAC 2-124]

2. The permittee, upon becoming aware that any relevant facts were omitted or incorrect information was submitted in the permit application or in a supplemental submittal, shall promptly submit such supplementary facts or corrected information. In addition, a permittee shall provide additional information as necessary to address any requirements that become applicable after the date a complete application is filed, but prior to release of a draft permit.

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[RAC 2-106(5)]

IV.D. Submissions [RAC 2-105]

1. Any application, form, report, compliance certification, or other document submitted by the permittee under this permit shall contain a certification by a responsible official of truth, accuracy, and completeness. This certification shall state that, based on information and belief formed after reasonable inquiry, the statements and information in the document are true, accurate, and complete.

[Explanatory note: The Tribe has developed a reporting form "CTAC" for certifying truth, accuracy and completeness of part 70 submissions. The form may be found on the AQP's website (http://www.southernute-nsn.gov/environmentalprograms/air-quality).]

2. Except where otherwise noted, any documents required to be submitted under this permit, including reports, test data, monitoring data, notifications, compliance certifications, fee calculation worksheets, and applications for renewals and permit modifications shall be submitted:

by United States Postal Service:	or by Common Carrier:
Part 70 Program	Part 70 Program
Environmental Programs Division	Environmental Programs Division
Air Quality Program	Air Quality Program
P.O. Box 737 MS #84	398 Ouray Drive
Ignacio, Colorado 81137	Ignacio, CO 81137

IV.E. Severability Clause [RAC 1-106 and RAC 2-110(1)(f)]

The provisions of this permit are severable, and in the event of any challenge to any portion of this permit, or if any provision is held invalid, the remaining permit conditions shall remain valid and in force.

IV.F. Permit Actions [RAC 2-110(3)]

1. This permit may be modified, reopened and revised, revoked and reissued, or terminated for cause.

[RAC 2-110(3)(c)]

2. The filing by the permittee of a request for a permit revision, reissuance, or termination, or of a notification of planned changes or anticipated noncompliance shall not stay any permit condition.

[RAC 2-110(3)(d)]

IV.G. Administrative Permit Revision [RAC 2-111(2)]

1. The permittee may submit an application for an administrative permit revision as defined in RAC § 1-103.

[RAC 2-111(2)(a)]

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2. The permittee may implement an administrative permit revision immediately upon submittal of the request for the administrative revision.

[RAC 2-111(2)(c)]

[Note to permittee: If the provisions allowing for an administrative permit revision do not apply, please contact the Air Quality Program for a determination of similarity prior to submitting your request for an administrative permit revision.]

IV.H. Minor Permit Revisions [RAC 2-111(3)]

1. The permittee may submit an application for a minor permit revision as defined in RAC § 1-103.

2. An application requesting the use of minor permit revision procedures shall meet the requirements of RAC § 2-106(4) and shall include the following:

   (a) A description of the change, the emissions resulting from the change, and any new applicable requirements that will apply if the change occurs;

   (b) If changes are requested to the permit language, The permittee's suggested draft permit language;

   (c) Certification by a responsible official, consistent with RAC § 2-105, that the proposed modification meets the criteria for use of minor permit modification procedures and a request that such procedures be used; and

   (d) Completed forms for the Tribe to use to notify the Administrator and affected programs as required under RAC § 2-108

   (e) If the requested permit revision would affect existing compliance plans or schedules, related progress reports, or certification of compliance requirements, and an outline of such effects.

[RAC 2-111(3)(a)]

3. The permittee shall not submit multiple minor permit revision applications that may conceal a larger revision that would not constitute a minor permit revision.

[RAC 2-111(3)(b)]

4. The permittee may make the change proposed in its minor permit revision application immediately after it files such application, provided, however, for sources that have previously utilized this provision during the term of the permit and, on two or more occasions have failed to file a complete application, may thereafter make the change only after the application is deemed complete. After the permittee makes the change and until the Tribe takes any of the actions specified in the following subsection, the permittee must comply with both the applicable requirements governing the change and the proposed permit terms and conditions. During this period, the permittee need not comply with the existing permit terms and conditions it seeks to modify. If the permittee fails to comply with its proposed permit terms and conditions during this period, however, the existing permit terms and conditions it seeks to modify may be enforced against it.

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[RAC 2-111(3)(e)]

5. The permit shield under RAC § 2-110(10) may not extend to minor permit revisions.

[RAC 2-110(10)(d)]

IV.I. Significant Permit Revisions [RAC 2-111(4)]

1. The permittee must request the use of significant permit revision procedures as defined in RAC § 1-103.

2. Significant permit revisions shall meet all requirements of the RAC for permit issuance and renewal, including those for applications, review by the Administrator and affected programs, and public participation.

[RAC 2-111(4), 2-109, 2-106(3)]

IV.J. Permit Reopenings, Revocations and Reissuances, and Terminations [RAC 2-112]

1. The permit may be reopened and revised for any of the reasons listed in paragraphs (a) through (d) below. Alternatively, the permit may be revoked and reissued for the reasons listed in paragraphs (c) and (d) below:

   (a) Additional requirements under the Clean Air Act become applicable to a major source with a remaining permit term of 3 or more years, provided that the Tribe shall revise such permits to incorporate such additional requirements no later than 18 months after promulgation of such requirements, and no such reopening is required if the effective date of the requirement is later than the permit expiration date unless the original permit or any of its terms or conditions have been extended past the permit expiration date pursuant to RAC § 2-104(2)(b)(iii);

   (b) Additional requirements (including excess emissions requirements) become applicable to an affected source under the acid rain program. Upon approval by the Administrator, excess emissions offset plans shall be deemed to be incorporated into the permit;

   (c) The Tribe or the Administrator determines that the permit contains a material mistake or that inaccurate statements were made in establishing the terms or conditions of the permit; or

   (d) The Tribe or the Administrator determines that the permit must be revised or revoked and reissued to assure compliance with applicable requirements.

2. The permit may be terminated for any of the reasons in (a) through (g) below:

   (a) The permittee fails to meet the requirements of an approved compliance plan;

   (b) The permittee has been in significant or repetitious noncompliance with the operating permit terms or conditions;

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(c) The permittee has exhibited a history of willful disregard for environmental laws of any tribal or state authority, or of the United States;

(d) The permittee has knowingly misrepresented a material fact in any application, record, report, plan, or other document filed or required to be maintained under the permit;

(e) The permittee falsifies, tampers with, or renders inaccurate any monitoring device or method required to be maintained under the permit;

(f) The permittee fails to pay fees required under RAC§§ 2-118 and 2-119; or

(g) The Administrator has found that cause exists to terminate the permit.

IV.K. Property Rights [RAC 2-110(3)(e)]

This permit does not convey any property rights of any sort, or any exclusive privilege.

IV.L. Inspection and Entry [RAC 2-110(9)(b)]

Upon presentation of credentials and other documents as may be required by law, the permittee shall allow authorized representatives of the Tribe or other authorized representative to perform the following:

1. Enter upon the permittee's premises where a source is located or emissions-related activity is conducted, or where records must be kept under the conditions of the permit;

2. Have access to and copy, at reasonable times, any records that must be kept under the conditions of the permit;

3. Inspect at reasonable times any facilities, equipment (including monitoring and air pollution control equipment), practices, or operations regulated or required under the permit; and

4. As authorized by the Clean Air Act, sample or monitor at reasonable times substances or parameters for the purpose of assuring compliance with the permit or applicable requirements.

IV.M. Emergency Situations [RAC 2-117]

1. The permittee may seek to establish that noncompliance with a technology-based emission limitation under this permit was due to an emergency as defined in RAC § 1-103. To do so, the permittee shall demonstrate the affirmative defense of emergency through properly signed, contemporaneous operating logs, or other relevant evidence that:

   (a) An emergency occurred and that the permittee can identify the cause(s) of the emergency;

   (b) The permitted facility was at the time being properly operated;

   (c) During the period of the emergency the permittee took all reasonable steps to minimize levels of emissions that exceeded the emissions standards, or other requirements in this permit; and

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(d) The permittee reported the emergency to the Tribe in compliance with RAC § 2-110(7).

[RAC 2-117(1)]

2. In any enforcement preceding the permittee attempting to establish the occurrence of an emergency has the burden of proof.

[RAC 2-117(2)]

3. This emergency situation provision is in addition to any emergency or upset provision contained in any applicable requirement.

[RAC 2-117(3)]

IV.N. Permit Transfers [RAC 2-113]

This permit shall not be transferable, by operation of law or otherwise, from one location to another or from one source to another, except that a permit may be transferred from one location to another in the case of a portable source that has notified the Tribe in advance of the transfer, pursuant to the RAC. A permit for a source may be transferred from one person to another if the Tribe finds that the transferee is capable of operating the source in compliance with the permit. This transfer must be accomplished through an administrative permit revision in accordance with the Administrative Permit Revisions section of this permit.

IV.O. Off Permit Changes [RAC 2-116(2)]

1. The permittee is allowed to make, without a permit revision, certain changes that are not addressed or prohibited by the operating permit provided that the following requirements are met:

   (a) Each such change meets all applicable requirements and shall not violate any existing permit term or condition;

   (b) Such changes are not subject to any requirements under title IV of the Clean Air Act and are not modifications under title I of the Clean Air Act;

   (c) Such changes are not subject to permit revision procedures under RAC § 2-111; and

   (d) The permittee provides contemporaneous written notice to the Tribe and the Administrator of each such change, except for changes that qualify as insignificant activities. Such notice shall state when the change occurred and shall describe the change, any resulting emissions change, pollutants emitted, and any applicable requirement that would apply as a result of the change.

[RAC 2-116(2)(a)]

2. The permit shield does not apply to changes made under this provision.

[RAC 2-110(10)(d)]

3. The permittee shall keep a record describing changes made at the source that result in emissions of any regulated air pollutant subject to an applicable requirement, but not otherwise regulated under the permit, and the emissions resulting from those changes.

[RAC 2-116(2)(b)]

4. The notice shall be kept at BP's Durango Operations Center made available to the Tribe on request, in accordance with the general recordkeeping provision of this permit.

5. Submittal of the written notice required above shall not constitute a waiver, exemption, or shield from applicability of any applicable standard or PSD permitting requirements under 40 CFR 52.21 that would be triggered by the replacement of any one {emission unit type}, or by replacement of multiple {emission unit type}.

IV.P. Permit Expiration and Renewal [RAC §§ 2-104(3), 2-106(2)(b), 2-107(7)(a), 2-107(7)(b), 2-110(1)(a), 2-106(3)]

1. This permit shall expire upon the earlier occurrence of the following events:

   (a) Five (5) years elapse from the date of issuance; or

   (b) The source is issued a part 70 or part 71 permit under an EPA approved or delegated permit program.

[RAC 2-110(1)(a)]

2. Expiration of this permit terminates the permittee's right to operate unless a timely and complete permit renewal application has been submitted at least 6 months but not more than 18 months prior to the date of expiration of this permit.

[RAC 2-107(7)(b)]

3. If the permittee submits a timely and complete permit application for renewal, consistent with RAC § 2-106 but the Tribe has failed to issue or disapprove a renewal permit before the end of the permit term, then the permit shall not expire and all its terms and conditions shall remain in effect until the renewal permit has been issued or disapproved.

[RAC 2-104(2)(b)]

4. The ability to operate under this permit shall cease if (1) the Tribe takes final action to issue the permittee a renewal permit or deny the permittee a permit or (2) the permittee fails to submit by the deadline specified in writing by the Tribe any additional information identified as being needed to process the application.

[RAC 2-104(3)]

5. Renewal of this permit is subject to the same procedures, including those for public participation and affected program and EPA review, as those that apply to initial permit issuance.

[RAC 2-107(7)(a)]

6. The application for renewal shall include the current permit number, description of permit revisions and off permit changes that occurred during the permit term, any applicable requirements

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that were promulgated and not incorporated into the permit during the permit term, and other information required by the application form.

[RAC 2-106(4)(e)(ix)]

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V. <u>Appendix</u>

V.A. Inspection Information

1. Driving Directions to the facility:

   Starting from the junction of U.S. Highway 160 east to Bayfield and U.S. Highway 550 south to Farmington, drive east on U.S. Highway 160 for 11.4 miles. Turn right on a gravel road that splits a yard with a corral on the left and a trailer on the right. Drive approximately 0.4 miles. Turn left and drive approximately 0.2 miles to a BP America Production Company locked gate (key required). Pass through the gate and continue another 0.2 miles until you reach the Dry Creek Central Delivery Point (CDP), which is located on the left.

2. Global Positioning System (GPS):

   Latitude: 37.213598
   Longitude: -107.640711

3. Safety Considerations:

   BP recommends all visitors to the Dry Creek CDP wear a hard hat, safety glasses, safety footwear, hearing protection, and fire retardant clothing.

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