

**Southern Ute Indian Tribe
Environmental Programs Division
Air Quality Program
151 CR 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,

**Samson Resources Company
Howard Salt Water Disposal Facility**

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

This source is authorized to operate at the following location:

**Southern Ute Indian Reservation
Section 19, T34N R6W
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. Citations within this permit are for convenient reference only and have no effect in limiting or extending the applicability of either the RAC provisions that are cited or RAC provisions which may not be cited.

**AIR POLLUTION CONTROL
TITLE V PERMIT TO OPERATE
Samson Resources Company
Howard Salt Water Disposal Facility**

Permit Number: V-SUIT-0051-2013.00 Issue Date: {TBD}
[Replaces EPA-issued Permit No.: V-SU-0051-10.00] Effective Date: {TBD}
Expiration Date: {TBD}

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

Permit History

| DATE | TYPE OF ACTION | SECTION NUMBER AND TITLE | DESCRIPTION OF ACTION |
|--------------|-------------------------------|---------------------------------|--|
| October 2010 | Initial Part 71 Permit Issued | | # V-SU-0051-10.00 |
| {TBD} | Initial Part 70 Permit issued | | # V-SUIT-0051-2013.00 Replaces EPA-issued permit #V-SU-0051-10.00 |

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Abbreviations and Acronyms

| | |
|------------------|---|
| 4SLB | Four-Stroke Lean-Burn |
| 4SRB | Four-Stroke Rich-Burn |
| AQP | Southern Ute Indian Tribe's Air Quality Program |
| bbf | 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 ₂ S | 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 |
| MMSCFD | Million standard cubic feet per day |
| 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 |
| SI | Spark Ignition |
| 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: Samson Resources Company

Plant Name: Howard Salt Water Disposal Facility

Plant Location: Section 19, T34N R6W
Latitude: N 37.173272
Longitude: W -107.54037

Reservation: Southern Ute Indian Reservation

State: Colorado

County: La Plata County

Responsible Official: Attorney-in-Fact

SIC Code: 1311

AFS Plant Identification Number: {TBD}

Other Clean Air Act Permits: This permit replaces the facility's EPA-issued part 71 permit. There are no other CAA permits issued to this facility.

Description of Process:

The Howard Salt Water Disposal Facility is a salt water disposal facility for nearby oil and gas operations. One 691 horsepower Caterpillar 3412TA engine is used to power the generator at this facility to provide electricity for the site. Additional facility equipment includes four 1000 barrel water tanks, one 300 gallon lube oil tank, one 500 gallon lube oil tank, one buried open-top 100 barrel tank, one 300 barrel slop tank, and one 500 gallon ethylene glycol tank.

The primary source for emissions is from the facility's natural gas-fired four-stroke rich-burn (4SRB) spark ignition (SI) generator engine.

I.B. Source Emission Points

**Table 1 - Emission Units
Samson Resources Company, Howard Salt Water Disposal Facility**

| Emission Unit ID | Description | Control Equipment |
|------------------|--|-------------------|
| E1 | 1 – Caterpillar 3412TA (4SRB SI) Generator Engine, 691 hp Serial No.: 7DB01604 Installed: 12/15/08 | None |

**Table 2 - Insignificant Emission Units
Samson Resources Company, Howard Salt Water Disposal Facility**

| Emission Unit ID | Description | Size/Rating |
|-------------------|--|-------------|
| IE-1 | 1 - Lube Oil Tank | 500 gal |
| IE-2 | 1 - Lube Oil Tank | 300 gal |
| IE-3 | 1 - Ethylene Glycol (antifreeze) Tank | 500 gal |
| IE-4 through IE-7 | 4 - Produced Water Storage Tank | 1,000 bbl |
| IE-8 | 1 - Slop Tank | 300 bbl |
| IE-9 | 1 - Buried Open-Top Sump/Slop Tank | 100 bbl |
| IE-10 | 1 - Compressor Blowdown Emissions | N/A |
| IE-11 | 1 - Compressor Starter Emissions | N/A |
| IE-12 | 1 - Compressor Cylinder Rod Packing Vent Emissions | N/A |

II. 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)]

II.A. Alternative Operating Scenarios [RAC 2-110(8)]

1. Replacement of an existing permitted engine with a new or overhauled engine of the same make, model, horsepower rating, and configured to operate in the same manner as the engine being replaced, which does not trigger new applicable requirements (i.e., NSPS, NESHAP, MACT, etc.), and which satisfies all of the provisions of this permit for Off Permit Changes, including the provisions specific to engine replacement, shall be considered an allowed alternative operating scenario under this permit.
2. Replacement of an existing permitted engine with a new or overhauled engine of the same make, model, horsepower rating, and configured to operate in the same manner as the engine being replaced, which triggers new applicable requirements (i.e., NSPS, NESHAP, MACT, etc.), shall utilize a Minor Permit Revision to incorporate the new applicable requirements.
3. Any emission limits, requirements, control technologies, or provisions that apply to engines that are replaced under this Alternative Operating Scenarios section shall also apply to the replacement engines.

II.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 effective 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 requirements, the report must be made by email, 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 email, 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)]

II.C. Stratospheric Ozone and Climate Protection [40 CFR part 82]

The permittee shall comply with the standards for recycling and emissions reduction pursuant to 40 CFR part 82, Subpart F:

1. Persons opening appliances for maintenance, service, repair, or disposal must comply with the required practices pursuant to 40 CFR §82.156.
2. Equipment used during the maintenance, service, repair, or disposal of appliances must comply with the standards for recycling and recovery equipment pursuant to 40 CFR §82.158.
3. Persons performing maintenance, service, repair, or disposal of appliances must be certified by an approved technician certification program pursuant to 40 CFR §82.161.

II.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 applicable requirements of the acid rain program consistent with section 408(a) of the Act; or
4. 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.

III. Part 70 Administrative Requirements

III.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.

[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 c/o Environmental Programs Division Part 70 Program, P.O. Box 737 MS #84, Ignacio, Colorado 81137; or by common carrier (such as UPS or FedEx) c/o Environmental Programs Division Part 70 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]

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, as defined at RAC 1-103(2), for each fee pollutant. The permittee may, in lieu of actual emissions, calculate the annual fee based on the potential to emit, as defined at RAC 1-103(51). 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 shall be computed using compliance methods required by the permit.

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

(ii) 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)]

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)]

III.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 the RAC and the Clean Air Act, applicable regulations thereunder, and any other applicable law or regulation.

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

- (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)(1)(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)(1)(iii)]

III.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 the period specified by the Tribe, any information that the Tribe requests 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, 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.

[RAC 2-106(5)]

III.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.southern-ute.nsn.us/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:
Part 70 Program
Environmental Programs Division
Air Quality Program
P.O. Box 737 MS #84
Ignacio, Colorado 81137

or by Common Carrier:
Part 70 Program
Environmental Programs Division
Air Quality Program
398 Ouray Drive
Ignacio, CO 81137

III.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.

III.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)]

III.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)]
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.]

III.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 changes;
 - (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.

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

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

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

III.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, and 2-106(3)]

III.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;
 - (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.

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

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

III.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.

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

[RAC 2-117(1)]

- 2. In any enforcement proceeding 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)]

III.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.

III.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 this 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. For replacement of an existing permitted compressor engine with an engine of the same make, model, horsepower rating, and configured to operate in the same manner as the engine being replaced, in addition to satisfying all other provisions for off permit changes, the permittee shall satisfy the following provisions:

- (a) The replacement engine employs air emissions control devices, monitoring, record keeping and reporting that are equivalent to those employed by the engine being replaced;
- (b) The replacement of the existing engine does not constitute a major modification or major new source as defined in Federal PSD regulations (40 CFR 52.21);
- (c) No new applicable requirements, as defined in RAC § 1-103(11) are triggered by the replacement; and
- (d) The following information is provided in a written notice to the Tribe in addition to the standard information listed above for contemporaneous written notices for off permit changes:
 - (i) Make, model number, serial number, horsepower rating and configuration of the existing engine and the replacement engine;
 - (ii) Manufacture date, commence construction date (per the definition in 40 CFR 60.2, 60.4230(a) and 63.2), installation date, and start-up date of the replacement engine;
 - (iii) If applicable, documentation of the cost to rebuild a replacement engine versus the cost to purchase a new engine in order to support claims that an engine is not “reconstructed,” as defined in 40 CFR 60.15 and 40 CFR 63.2;
 - (iv) Documentation to demonstrate no new applicable requirements are triggered by the off permit change;
 - (v) Documentation to demonstrate that the replacement does not constitute a major new source or major modification, as defined in Federal PSD rules (40 CFR 52.21), as follows:

- (A) If the replacement will not constitute a "physical change or change in the method of operation" as described in §52.21(b), an explanation of how that conclusion was reached shall be provided.
- (B) If the replacement will constitute a "physical change or change in the method of operation" as described §52.21(b), the following information shall be provided:
 - 1. If the existing source is a "major stationary source" as defined in §52.21(b): For each "regulated NSR pollutant" as defined in §52.21(b), a demonstration (including all calculations) that the replacement will not be a "major modification" as defined in §52.21(b). A modification is major only if it causes a "significant emissions increase" as defined in §52.21(b), and also causes a "significant net emissions increase" as defined in §52.21(b).

The "Applicability Procedures" of §52.21(a)(2) shall be used to calculate whether or not there will be a significant emissions increase. If there will be a significant emissions increase, then calculations shall be provided to demonstrate there will not be a significant net emissions increase. These latter calculations shall include all source wide contemporaneous and creditable emission increases and decreases, as defined in §52.21(b), summed with the PTE of the replacement unit(s).

If netting is used to demonstrate that the replacement will not constitute a "major modification," verification shall be provided that the replacement unit(s) employs emission controls at least equivalent in control effectiveness to those employed by the unit(s) being replaced.

PTE of replacement unit(s) shall be determined based on the definition of PTE in §52.21(b). For each "regulated NSR pollutant" for which the PTE is not "significant," calculations used to reach that conclusion shall be provided.

- 2. If the existing source is not a "major stationary source" as defined in §52.21(b): For each "regulated NSR pollutant," a demonstration (including all calculations) that the replacement unit(s), by itself, will not constitute a "major stationary source" as defined in §52.21(b).
- 5. The notice shall be kept on site and made available to the Tribe on request, in accordance with the general recordkeeping provision of this permit.
- 6. 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 engine, or by replacement of multiple engines.

III.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), and 2-106(3)]

1. This permit shall expire upon the earlier occurrence of the following events:
 - (a) Five 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 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)]

IV. Appendix

IV.A. Inspection Information

1. Driving Directions to the facility:

To get to the Howard Salt Water Disposal Facility from Bayfield, CO: drive south on Buck Highway/County Road 521 approximately 3 miles to County Road 524. Go east on County Road 524 for approximately 1.4 miles to County Road 523. Go south on County Road 523 for about 0.75 miles. Turn left (east) onto a dirt road and go about half a mile then turn left (north) and travel about 0.1 miles to the facility. The facility is a little over a half mile from County Road 523.

2. Global Positioning System (GPS):

Latitude: N 37.173272
Longitude: W -107.54037

3. Safety Considerations:

Samson Resources requires persons entering the site to wear a hard hat, safety glasses, safety toe footwear, hearing protection, and fire retardant clothing.