

**Southern Ute Indian Tribe**  
**Environmental Programs Division**  
**Air Quality Program**  
**71 Mike Frost Way**  
**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.



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

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

Permit Number: V-SUIT-0051-2014.01  
[Replaces Permit No.: V-SUIT-0051-2014.00]

Issue Date: September 26, 2014  
Effective Date: September 26, 2014  
Expiration Date: March 12, 2019

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

**Permit History**

| <b>DATE</b>      | <b>TYPE OF ACTION</b>         | <b>SECTION NUMBER AND TITLE</b> | <b>DESCRIPTION OF ACTION</b>   |
|------------------|-------------------------------|---------------------------------|--|
| October 2010     | Initial Part 71 Permit Issued |                                 | # V-SU-0051-10.00  |
| January 31, 2014 | Initial Part 70 Permit issued |                                 | # V-SUIT-0051-2014.00<br>Replaces EPA-issued permit #V-SU-0051-10.00 |
| September 2014   | Minor Permit Revision         |                                 | #V-SUIT-0051-2014.01   |

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## Abbreviations and Acronyms

|                  |   |
|------------------|---|
| AFRC             | Air Fuel Ratio Controller   |
| 4SLB             | Four-Stroke Lean-Burn   |
| 4SRB             | Four-Stroke Rich-Burn   |
| AQP              | Southern Ute Indian Tribe's Air Quality Program   |
| bbbl             | 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 <sub>2</sub>  | 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 <sub>2</sub> 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  |
| NSCR             | Non-selective catalytic reduction   |
| NO <sub>x</sub>  | Nitrogen Oxides   |
| NSPS             | New Source Performance Standard   |
| NSR              | New Source Review   |
| pH               | Negative logarithm of effective hydrogen ion concentration (acidity)                        |
| PM               | Particulate Matter  |
| PM <sub>10</sub> | 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 <sub>2</sub>  | 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: 37.173272  
Longitude: -107.54037

**Reservation:** Southern Ute Indian Reservation

**State:** Colorado

**County:** La Plata County

**Responsible Official:** Vice President

**SIC Code:** 1311

**AFS Plant Identification Number:** 08-067-U0006

**Other Clean Air Act Permits:** This permit replaces permit number V-SUIT-0051-2014.00  
. 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) natural gas-fired Generator Engine, 691 nameplate rated hp<br><br>Serial No.: 7DB01604                      Installed: 12/15/08 | NSCR and AFRC (enforceable*)    |
| E2               | 1 – Caterpillar G3408TA 4SRB SI natural gas-fired generator engine, 405 nameplate rated hp<br><br>Serial No.: 3wr00501                      Installed: 2014      | NSCR and AFRC (not enforceable) |

\*Unit E1 is required to be equipped and operated with a catalytic control per the Final Order in *In the Matter of Samson Resources Company*, United States Environmental Protection Agency Region 8, Docket Number CAA-08-2013-0015, May 1, 2014; however operation of the control device does not create federally enforceable limitations on the source’s potential to emit.

**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. Site Specific Requirements**

### **Requirements for Engines**

#### **II.A. 40 CFR Part 63, Subpart A - National Emission Standards for Hazardous Air Pollutants, General Provisions [40 CFR 63.1 - 63.16]**

This facility is subject to the requirements of 40 CFR Part 63, Subpart A as outlined in Table 8 of 40 CFR Part 63, Subpart ZZZZ. Notwithstanding conditions in this permit, the permittee shall comply with all applicable requirements of 40 CFR Part 63.

[40 CFR 63.6665]

#### **II.B. 40 CFR Part 63, Subpart ZZZZ - National Emission Standards for Hazardous Air Pollutants for Reciprocating Internal Combustion Engines [40 CFR 63.6580 - 63.6675]**

This facility is subject to the requirements of 40 CFR Part 63, Subpart ZZZZ for existing non-emergency, non-black start, 4SRB remote stationary reciprocating internal combustion engines (RICE) with a site rating greater than 500 brake horsepower and existing non-emergency, non-black start, 4SRB stationary RICE with a site rating less than 500 brake horsepower located at an area source of hazardous air pollutants (HAPs). Notwithstanding conditions in this permit, the permittee shall comply with all applicable requirements of 40 CFR Part 63, Subpart ZZZZ.

##### **1. Applicability**

- a. 40 CFR Part 63, Subpart ZZZZ applies to the following engines:
  - i. E1 – 691 bhp, Caterpillar 3412TA 4SRB SI natural gas-fired non-emergency engine, constructed or reconstructed before June 12, 2006
  - ii. E2 – 405 bhp, Caterpillar G3408TA 4SRB SI natural gas-fired non-emergency engine, constructed or reconstructed before June 12, 2006

##### **2. Emission Limits**

- a. Emissions unit E1 is subject to the 40 CFR Part 63, Subpart ZZZZ requirements for existing non-emergency spark ignition (SI) four-stroke rich-burn (4SRB) remote stationary RICE > 500 site-rated hp constructed prior to June 12, 2006. There are no emission limitations for this engine category at this time. If an annual evaluation of the remote status of an engine indicates that the stationary RICE no longer meets the definition of remote stationary RICE in 40 CFR 63.6675, the permittee must comply with all of the requirements for existing non-emergency, spark ignition (SI) four-stroke rich-burn (4SRB) remote stationary RICE > 500 site-rated hp at area sources of HAP that are not remote stationary RICE within one year of the evaluation.

### 3. Work, Operation, and Management Practices

- a. The permittee shall comply with the operating limitations and other requirements at all times:

[40 CFR 63.6605(a)]

- b. For emission unit E1, the permittee shall change the oil and filter and inspect and replace as necessary all spark plugs, hoses and belts every 2,160 hours of operation or annually, whichever comes first.

[40 CFR 63.6603 and Table 2d, item 11 of Subpart ZZZZ]

- c. For emission unit E2, the permittee shall change the oil and filter and inspect and replace as necessary all spark plugs, hoses, and belts every 1,440 hours of operation or annually, whichever comes first.

[40 CFR 63.6603 and Table 2d, item 10 of Subpart ZZZZ]

- d. For emissions units E1 and E2, the permittee shall have the option of utilizing an oil analysis program in order to extend the specified oil change requirement in Table 2d to this subpart. The oil analysis must be performed at the same frequency specified for changing the oil in Table 2d to this subpart. The analysis program must at a minimum analyze the following three parameters: Total Acid Number, viscosity, and percent water content. The condemning limits for these parameters are as follows: Total Acid Number increases by more than 3.0 milligrams of potassium hydroxide (KOH) per gram from Total Acid Number of the oil when new; viscosity of the oil has changed by more than 20 percent from the viscosity of the oil when new; or percent water content (by volume) is greater than 0.5. If all of these condemning limits are not exceeded, the engine owner or operator is not required to change the oil. If any of the limits are exceeded, the engine owner or operator must change the oil within 2 business days of receiving the results of the analysis; if the engine is not in operation when the results of the analysis are received, the engine owner or operator must change the oil within 2 business days or before commencing operation, whichever is later. The owner or operator must keep records of the parameters that are analyzed as part of the program, the results of the analysis, and the oil changes for the engine. The analysis program must be part of the maintenance plan for the engine.

[40 CFR 63.6625(j)]

- e. For emission units E1 and E2, the permittee shall operate and maintain the stationary RICE according to the manufacturer's emission-related operation and maintenance instructions; or
- f. Develop and follow the permittee's own maintenance plan which must provide to the extent practicable for the maintenance and operation of the engines in a manner consistent with good air pollution control practices for minimizing emissions.

[40 CFR 63.6640 (a) and Table 6 of 40 CFR 63, Subpart ZZZZ]

- g. For emission units E1 and E2, during periods of startup the permittee must minimize the engine's time spent at idle and minimize the engine's time at startup to a period needed for appropriate and safe loading of the engine, not to exceed 30 minutes.

[40 CFR 63.6603 40 CFR 63.6625(h) and Table 2d of 40 CFR Part 63, Subpart ZZZZ]

- h. At all times, the permittee must operate and maintain any affected source, including associated air pollution control equipment and monitoring equipment, in a manner consistent with safety and good air pollution control practices for minimizing emissions to the levels required by 40 CFR Part 63, Subpart ZZZZ. The general duty to minimize emissions does not require the permittee to make any further efforts to reduce emissions if the required levels have been achieved. Determination of whether such operations and maintenance procedures are being used will be based on information available to the Administrator, which may include, but is not limited to, monitoring results, review of operation and maintenance procedures, review of operation and maintenance records, and inspection of the source.

[40 CFR 63.6605(b)]

#### **4. Initial Compliance Requirements**

- a. The permittee shall conduct an initial evaluation to determine if each existing non-emergency spark ignition (SI) four-stroke rich-burn (4SRB) remote stationary RICE > 500 site-rated hp meets the definition of remote stationary RICE in 40 CFR 63.6675.

[40 CFR 63.6603]

#### **5. Initial Performance Test Requirements**

- a. Emissions unit E1 is subject to the requirements for existing non-emergency spark ignition (SI) four-stroke rich-burn (4SRB) remote stationary RICE > 500 site-rated hp constructed prior to June 12, 2006 of 40 CFR Part 63, Subpart ZZZZ. There are no initial performance test requirements at this time. If an annual evaluation of the remote status of an engine indicates that the stationary RICE no longer meets the definition of remote stationary RICE in 40 CFR 63.6675, the permittee must comply with all of the requirements for existing non-emergency, spark ignition (SI) four-stroke rich-burn (4SRB) remote stationary RICE > 500 site-rated hp at area sources of HAP that are not remote stationary RICE within one year of the evaluation.

[40 CFR 63.6603]

## 6. Performance Test Procedures

- a. Emissions unit E1 is subject to the requirements for existing non-emergency spark ignition (SI) four-stroke rich-burn (4SRB) remote stationary RICE > 500 site-rated hp constructed prior to June 12, 2006 of 40 CFR Part 63, Subpart ZZZZ. There are no performance test requirements at this time. If an annual evaluation of the remote status of an engine indicates that the stationary RICE no longer meets the definition of remote stationary RICE in 40 CFR 63.6675, the permittee must comply with all of the requirements for existing non-emergency, spark ignition (SI) four-stroke rich-burn (4SRB) remote stationary RICE > 500 site-rated hp at area sources of HAP that are not remote stationary RICE within one year of the evaluation.

[40 CFR 63.6603]

## 7. Continuous Compliance Requirements

- a. The permittee shall demonstrate continuous compliance with the emission limitations, operating limitations and other requirements in Table 2d that apply according to the methods specified in Table 6 of 40 CFR Part 63, Subpart ZZZZ.

[40 CFR 63.6605 and 40 CFR 63.6640(a)]

- b. The permittee must report each instance in which an emission or operating limit was not met. These instance are deviations from the emission and operating limitations and must be reported according to reporting requirements of §63.6650.

[40 CFR 63.6640(b)]

- c. The permittee must also report each instance in which the requirements in Table 8 of 40 CFR Part 63, Subpart ZZZZ, are not met.

[40 CFR 63.6640(e)]

## 8. Notifications

- a. Emissions unit E1 is subject to the requirements for existing non-emergency, non-black start spark ignition (SI) four-stroke rich-burn (4SRB) remote stationary RICE > 500 site-rated hp constructed prior to June 12, 2006 of 40 CFR Part 63, Subpart ZZZZ. There are no notification requirements at this time. If an annual evaluation of the remote status of an engine indicates that the stationary RICE no longer meets the definition of remote stationary RICE in 40 CFR 63.6675, the permittee must comply with all of the requirements for existing non-emergency, spark ignition (SI) four-stroke rich-burn (4SRB) remote stationary RICE > 500 site-rated hp at area sources of HAP that are not remote stationary RICE within one year of the evaluation.

## 9. Record Keeping

- a. The permittee must keep the following records to comply with the emission and operating limitations:
  - i. A copy of each notification and report that was submitted to comply with 40 CFR Part 63, Subpart ZZZZ, including all documentation supporting any Initial Notification or Notification of Compliance Status that was submitted, according to the requirements of §63.10(b)(2)(xiv);
  - ii. Records of the occurrence and duration of each malfunction of operation (i.e. process equipment) or the air pollution control and monitoring equipment;
  - iii. Records of performance tests and performance evaluations as required in §63.10(b)(2)(viii);
  - iv. Records of all required maintenance performed on the air pollution control and monitoring equipment, if required; and
  - v. Records of actions taken during periods of malfunction to minimize emissions in accordance with §63.6605(b), including corrective actions to restore malfunctioning process and air pollution control and monitoring equipment to its normal or usual manner of operation.

[40 CFR 63.6655(a)]

- b. The permittee must keep records required in Table 6 of 40 CFR Part 63, Subpart ZZZZ to demonstrate continuous compliance with each operating limit that applies.

[40 CFR 63.6655(d)]

- c. The permittee must keep records of the maintenance conducted on the stationary RICE in order to demonstrate that you operated and maintained the stationary RICE according to your own maintenance plan.

[40 CFR 63.6655(e)]

- d. The permittee must keep each record in a form suitable and readily available for expeditious review, accessible in hard copy or electronic form for five (5) years after the date of each occurrence, measurement, maintenance, corrective action, report, or record.

[40 CFR 63.10(b)(1), 40 CFR 63.10(f), and 40 CFR 63.6660]

## 10. Reporting

- a. Emissions unit E1 is subject to the requirements for existing non-emergency spark ignition (SI) four-stroke rich-burn (4SRB) remote stationary RICE > 500 site-rated hp constructed prior to June 12, 2006 of 40 CFR Part 63, Subpart ZZZZ. There are no reporting requirements at this time. If an annual evaluation of the remote status of an engine indicates that the stationary RICE no longer meets the definition of remote stationary RICE in 40 CFR 63.6675, the permittee must comply with all of the requirements for existing non-emergency, spark ignition (SI) four-stroke rich-burn (4SRB) remote stationary RICE > 500 site-rated hp at area sources of HAP that are not remote stationary RICE within one year of the evaluation.

[40 CFR 63.6603]

### **II.C. Consent Agreement Requirements** [Consent Agreement, United States Environmental Protection Agency Region 8, Docket Number CAA-08-2013-0015, Condition III.11]

This source is subject to the Final Order in *In the Matter of Samson Resources Company*, United States Environmental Protection Agency Region 8, Docket Number CAA-08-2013-0015, May 1, 2014, which requires:

1. Permittee install and operate, within four months of the date of the final order approving this Agreement is issued, a three-way catalyst control on the rich-burn engine at the Howard Saltwater Disposal Facility. The use of this type of catalysts shall continue indefinitely, as long as the engine continues to operate.

## **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 Red Cedar's Corporate Headquarters offices in

Durango, Colorado, 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.

### **III.B. General Reporting Requirements**

1. The permittee shall submit to the Tribe all reports of any required monitoring under this permit semiannually, by April 1 and October 1 of each year. The report due on April 1 shall cover the July 1 - December 31 reporting period of the previous calendar year. The report due on October 1 shall cover the January 1 - June 30 reporting period of the current 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 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)]

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

1. Replacement of an existing engine identified in this permit 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 replacement is not subject to any requirements under Title IV of the Clean Air Act and is not a modification under Title I of the Clean Air Act;
  - b. The replacement engine is of the same make, model, horsepower rating, and configured to operate in the same manner as the engine being replaced.

- c. The replacement 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 replacement engine are already identified in the permit. Replacement of an existing engine identified in this permit with a new, modified, or reconstructed 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. 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.

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

#### **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 1<sup>st</sup> for the preceding calendar year, except that the first annual permit fee will cover the period from the issuance 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 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 for each fee pollutant. 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)]

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 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 1<sup>st</sup> 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 issuance date of this permit through December 31<sup>st</sup> 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)]

**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 the period specified by the Tribe, any information that the Tribe request in writing to determine whether cause exists for reopening and revising, 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.

[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/environmental-programs/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

**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)]

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 changes;

- c. Certification by a responsible official, consistent with RAC § 2-105, that the proposed revision meets the criteria for use of minor permit revision 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)]

#### **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, and 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;
  - 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

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 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. The notice shall be kept on file and made available to the Tribe on request, in accordance with the general recordkeeping provision of this permit. [2-110(6)]

**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), and 2-106(3)]

1. This permit shall expire five years from the effective date of this permit. [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)]

## **V. Appendix**

### **V.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: 37.173272

Longitude: -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.