STATE OF MISSISSIPPI AND FEDERALLY ENFORCEABLE AIR POLLUTION CONTROL

PERMIT

TO CONSTRUCT AIR EMISSIONS EQUIPMENT

THIS CERTIFIES THAT

Pruet Production Company, Board of Education 16-4 Number 1 Well Road Off of Highway 13 Morton, Mississippi Scott County

> 32°16'50.01" 89°41'45.89"

has been granted permission to operate air emissions equipment in accordance with emission limitations, monitoring requirements and conditions set forth herein. This permit is issued in accordance with the Federal Clean Air Act and the provisions of the Mississippi Air and Water Pollution Control Law (Section 49-17-1 et. seq., Mississippi Code of 1972), the regulations and standards adopted and promulgated thereunder, and the State Implementation Plan for operating permits for synthetic minor sources.

MISSISSIPPI ENVIRONMENTAL QUALITY PERMIT BOARD

DRAFT/PROPOSED

AUTHORIZED SIGNATURE MISSISSIPPI DEPARTMENT OF ENVIRONMENTAL QUALITY

Issued: _____

Permit No.: 2420-00054

Effective Date: As specified herein.

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Section 1.

A. GENERAL CONDITIONS

- This permit is for air pollution control purposes only.
 (Ref.: <u>11 Miss. Admin. Code Pt. 2, R. 2.1.D.</u>)
- 2. This permit is a Federally-approved permit to operate a synthetic minor source as described in 11 Miss. Admin. Code Pt. 2, R. 2.4.D.

(Ref.: 11 Miss. Admin. Code Pt. 2, R. 2.4.D.)

3. Any activities not identified in the application are not authorized by this permit.

(Ref.: Miss. Code Ann. 49-17-29 1.b)

4. The knowing submittal of a permit application with false information may serve as the basis for the Permit Board to void the permit issued pursuant thereto or subject the applicant to penalties for constructing or operating without a valid permit.

(Ref.: 11 Miss. Admin. Code Pt. 2, R. 2.2.B(5).)

5. The issuance of a permit does not release the permittee from liability for constructing or operating air emissions equipment in violation of any applicable statute, rule, or regulation of state or federal environmental authorities.

(Ref.: 11 Miss. Admin. Code Pt. 2, R. 2.2.B(7).)

6. 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 unless halting or reducing activity would create an imminent and substantial endangerment threatening the public health and safety of the lives and property of the people of this state.

(Ref.: 11 Miss. Admin. Code Pt. 2, R. 2.2.B(15)(a).)

7. The issuance of this permit does not convey any property rights in either real or personal property, or any exclusive privileges, nor does it authorize any injury to private property or any invasion of personal rights, nor any infringement of Federal, State or local laws or regulations.

(Ref.: 11 Miss. Admin. Code Pt. 2, R. 2.2.B(15)(c).)

8. The permittee shall allow the Mississippi Department of Environmental Quality Office of Pollution Control and the Mississippi Environmental Quality Permit Board and/or their authorized representatives, upon the presentation of credentials:

- a. To enter upon the permittee's premises where an air emission source is located or in which any records are required to be kept under the terms and conditions of this permit, and
- b. At reasonable times to have access to and copy any records required to be kept under the terms and conditions of this permit; to inspect any monitoring equipment or monitoring method required in this permit; and to sample any air emission.

(Ref.: Miss. Code Ann. 49-17-21)

9. Except for data determined to be confidential under the Mississippi Air & Water Pollution Control Law, all reports prepared in accordance with the terms of this permit shall be available for public inspection at the offices of the Mississippi Department of Environmental Quality Office of Pollution Control.

(Ref.: Miss. Code Ann. 49-17-39)

10. Nothing herein contained shall be construed as releasing the permittee from any liability for damage to persons or property by reason of the installation, maintenance, or operation of the air cleaning facility, or from compliance with the applicable statutes of the State, or with local laws, regulations, or ordinances.

(Ref.: 11 Miss. Admin. Code Pt. 2, R. 2.2.B(7).)

11. The provisions of this permit are severable. If any provision of this permit, or the application of any provision of this permit to any circumstances, is challenged or held invalid, the validity of the remaining permit provisions and/or portions thereof or their application to other persons or sets of circumstances, shall not be affected thereby.

(Ref.: 11 Miss. Admin. Code Pt. 2, R. 2.1.D(7).)

- 12. This permit does not authorize a modification as defined in Regulation 11 Miss. Admin. Code Pt. 2, Ch.2., "Permit Regulations for the Construction and/or Operation of Air Emission Equipment." A modification may require a Permit to Construct and a modification of this permit. Modification is defined as "Any physical change in or change in the method of operation of a facility which increases the actual emissions or the potential uncontrolled emissions of any air pollutant subject to regulation under the Federal Act emitted into the atmosphere by that facility or which results in the emission of any air pollutant subject to regulation under the Federal Act into the atmosphere not previously emitted. A physical change or change in the method of operation shall not include:
 - a. Routine maintenance, repair, and replacement;
 - b. Use of an alternative fuel or raw material by reason of an order under Sections 2(a) and (b) of the Federal Energy Supply and Environmental Coordination Act of 1974

(or any superseding legislation) or by reason of a natural gas curtailment plan pursuant to the Federal Power Act;

- c. Use of an alternative fuel by reason of an order or rule under Section 125 of the Federal Act;
- d. Use of an alternative fuel or raw material by a stationary source which:
 - (1) The source was capable of accommodating before January 6, 1975, unless such change would be prohibited under any federally enforceable permit condition which was established after January 6, 1975, pursuant to 40 CFR Part 52.21 or under regulations approved pursuant to 40 CFR Part 51, Subpart I, or 40 CFR Part 51.166; or
 - (2) The source is approved to use under any permit issued under 40 CFR Part 52.21 or under regulations approved pursuant to 40 CFR Part 51, Subpart I, or 40 CFR Part 51.166;
- e. An increase in the hours of operation or in the production rate unless such change would be prohibited under any federally enforceable permit condition which was established after January 6, 1975, pursuant to 40 CFR Part 52.21 or under regulations approved pursuant to 40 CFR Part 51, Subpart I or 40 CFR Part 51.166; or
- f. Any change in ownership of the stationary source.

(Ref.: 11 Miss. Admin. Code Pt. 2, R. 2.1.C(15).)

B. GENERAL OPERATIONAL CONDITIONS

1. Should the Executive Director of the Mississippi Department of Environmental Quality declare an Air Pollution Emergency Episode, the permittee will be required to operate in accordance with the permittee's previously approved Emissions Reduction Schedule or, in the absence of an approved schedule, with the appropriate requirements specified in Regulation, 11 Miss. Admin. Code Pt. 2, "Regulations for the Prevention of Air Pollution Emergency Episodes" for the level of emergency declared.

(Ref.: 11 Miss. Admin. Code Pt. 2, R. 2.10.)

2. Any diversion from or bypass of collection and control facilities is prohibited, except as provided for in 11 Miss. Admin. Code Pt. 2, R. 1.10., "Air Emission Regulations for the Prevention, Abatement, and Control of Air Contaminants."

(Ref.: 11 Miss. Admin. Code Pt. 2, R. 1.10.)

3. Solids removed in the course of control of air emissions shall be disposed of in a manner such as to prevent the solids from becoming windborne and to prevent the materials from entering State waters without the proper environmental permits.

- 4. Except as otherwise specified herein, the permittee shall be subject to the following provisions with respect to upsets, startups, and shutdowns.
 - a. Upsets
 - (1) For an upset defined in 11 Miss. Admin. Code Pt. 2, R. 1.2., the Commission may pursue an enforcement action for noncompliance with an emission standard or other requirement of an applicable rule, regulation, or permit. In determining whether to pursue enforcement action, and/or the appropriate enforcement action to take, the Commission may consider whether the source has demonstrated through properly signed contemporaneous operating logs or other relevant evidence the following:
 - An upset occurred and that the source can identify the cause(s) of the upset;
 - (ii) The source was at the time being properly operated;
 - (iii) During the upset the source took all reasonable steps to minimize levels of emissions that exceeded the emission standard or other requirement of an applicable rule, regulation, or permit;
 - (iv) That within 5 working days of the time the upset began, the source submitted a written report to the Department describing the upset, the steps taken to mitigate excess emissions or any other noncompliance, and the corrective actions taken and;
 - (v) That as soon as practicable but no later than 24 hours of becoming aware of an upset that caused an immediate adverse impact to human health or the environment beyond the source boundary or caused a general nuisance to the public, the source provided notification to the Department.
 - (2) In any enforcement proceeding by the Commission, the source seeking to establish the occurrence of an upset has the burden of proof.
 - (3) This provision is in addition to any upset provision contained in any applicable requirement.
 - (4) These upset provisions apply only to enforcement actions by the Commission and are not intended to prohibit EPA or third party enforcement actions.

- b. Startups and Shutdowns (as defined by 11 Miss. Admin. Code Pt. 2, R. 1.2.)
 - (1) Startups and shutdowns are part of normal source operation. Emission limitations apply during startups and shutdowns unless source specific emission limitations or work practice standards for startups and shutdowns are defined by an applicable rule, regulation, or permit.
 - (2) Where the source is unable to comply with existing emission limitations established under the State Implementation Plan (SIP) and defined in this regulation, 11 Mississippi Administrative Code, Part 2, Chapter 1, the Department will consider establishing source specific emission limitations or work practice standards for startups and shutdowns. Source specific emission limitations or work practice standards for startups and shutdowns. Source specific emission limitations are subject to the requirements prescribed in 11 Miss. Admin. Code Pt. 2, R. 1.10.B(2)(a) through (e).
 - (3) Where an upset as defined in Rule 1.2 occurs during startup or shutdown, see the upset requirements above.

(Ref.: <u>11 Miss. Admin. Code Pt. 2, R. 1.10.</u>)

- 5. Compliance Testing: Regarding compliance testing:
 - a. The results of any emissions sampling and analysis shall be expressed both in units consistent with the standards set forth in any Applicable Rules and Regulations or this permit and in units of mass per time.
 - b. Compliance testing will be performed at the expense of the permittee.
 - c. Each emission sampling and analysis report shall include but not be limited to the following:
 - (1) Detailed description of testing procedures;
 - (2) Sample calculation(s);
 - (3) Results; and
 - (4) Comparison of results to all Applicable Rules and Regulations and to emission limitations in the permit.

(Ref.: 11 Miss. Admin. Code Pt. 2, R. 2.6.B(3), (4), and (6).)

C. PERMIT RENEWAL / MODIFICATION / TRANSFER / TERMINATION

1. For renewal of this permit, the applicant shall make application not less than one-hundred eighty (180) days prior to the expiration date of the permit substantiated with current emissions data, test results or reports or other data as deemed necessary by the Mississippi Environmental Quality Permit Board. If the applicant submits a timely and

complete application pursuant to this paragraph and the Permit Board, through no fault of the applicant, fails to act on the application on or before the expiration date of the existing permit, the applicant shall continue to operate the stationary source under the terms and conditions of the expired permit, which shall remain in effect until final action on the application is taken by the Permit Board. Permit expiration terminates the source's ability to operate unless a timely and complete renewal application has been submitted.

(Ref.: 11 Miss. Admin. Code Pt. 2, R. 2.8.)

2. The permittee shall furnish to the DEQ within a reasonable time any information the DEQ may request in writing to determine whether cause exists for modifying, revoking and reissuing, or terminating the permit or to determine compliance with the permit. Upon request, the permittee shall also furnish to the DEQ copies of records required to be kept by the permit or, for information claimed to be confidential, the permittee shall furnish such records to the DEQ along with a claim of confidentiality. The permittee may furnish such records directly to the Administrator along with a claim of confidentiality.

(Ref.: 11 Miss. Admin. Code Pt. 2, R. 2.2.B(15)(d).)

3. The permit and/or any part thereof may be modified, revoked, reopened, and reissued, or terminated for cause. Sufficient cause for a permit to be reopened shall exist when an air emissions stationary source becomes subject to Title V. The filing of a request by the permittee for a permit modification, revocation and reissuance, or termination, or of a notification of planned changes or anticipated noncompliance does not stay any permit condition.

(Ref.: 11 Miss. Admin. Code Pt. 2, R. 2.2.B(15)(b).)

- 4. After notice and opportunity for a hearing, this permit may be modified, suspended, or revoked in whole or in part during its term for cause including, but not limited to:
 - a. Persistent violation of any terms or conditions of this permit.
 - b. Obtaining this permit by misrepresentation or failure to disclose fully all relevant facts; or
 - c. A change in federal, state, or local laws or regulations that require either a temporary or permanent reduction or elimination of previously authorized air emission.
 - (Ref.: 11 Miss. Admin. Code Pt. 2, R. 2.2.C.)
- 5. This permit may only be transferred upon approval of the Mississippi Environmental Quality Permit Board.

(Ref.: 11 Miss. Admin. Code Pt. 2, R. 2.16.B.)

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The permittee is authorized to operate air emissions equipment, as described in the following table.

Emission Point	Description	
AA-001	10.25 MMBtu/hr Control Flare	
AA-002	Power Oil Engine Pump Natural gas or propane fired Pre-2006 200 hp, 4SRB SI ICE, Displacement per cylinder < 10 Liters	
AA-003	Fugitive Emissions from Equipment Leaks	
AA-004	Miscellaneous Chemical Tanks	
AA-005	Heater Treater Emissions routed to Control Flare	
AA-006	Oil and Water Storage Tanks Emissions routed to Control Flare	
AA-007	Truck Loading Emissions routed to Control Flare	

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Oil and Water Storage Tanks (AA-006)			
Reference Number	Description		
TK 01	Crude Oil 21,000 gallons		
TK 02	Crude Oil 16,800 gallons		
TK 03	Crude Oil 16,800 gallons		
TK 04	Produced Water 16,800 gallons		
TK 05	Methanol Storage 330 gallons		
TK 06	Anti-foam 250 gallons		
TK 07	Emulsion Breaker Storage 250 gallons		
TK 08	Corrosion Inhibitor Storage 55 gallons		

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DRAFT/PROPOSED SECTION 3 EMISSION LIMITATIONS AND STANDARDS

Emission Point	Applicable Requirement	Condition Number	Pollutant/ Parameter	Limitation/Standard
	11 Miss. Admin. Code Pt. 2, R. 1.3.A.	3.1	Smoke	Opacity ≤ 40%
	11 Miss. Admin. Code Pt. 2, R. 1.3.B.	3.2		
Facility-Wide	11 Miss. Admin. Code Pt. 2, R. 1.4. B(2).	3.3	H_2S	Emissions shall not exceed one grain per 100 standard cubic feet.
	11 Miss. Admin. Code Pt. 2, R. 2.2. B(10).	3.4	VOCs	Emissions shall not exceed 95.0 tpy
		3.5	HAPs	9.0 tpy for any individual HAP 24.0 tpy for total HAPs
	11 Miss. Admin. Code Pt. 2, R. 1.3.D(1)(b).	3.6	PM (Filterable only)	$E = 0.8808 * I^{-0.1667}$
AA-001	11 Miss. Admin. Code Pt. 2, R. 2.2.B(10).	3.7	Control Efficiency	Demonstrate a control efficiency of 98% by operating according to 40 CFR Part 60.18
	11 Miss. Admin. Code Pt. 2, R. 1.3.D(1)(a).	3.8	PM (Filterable only)	Emissions shall not exceed 0.6 lbs/MMBtu
	40 CFR Part 63, Subpart ZZZZ		HAPs	General Applicability
AA-002	 (National Emissions Standards for Hazardous Air Pollutants for Stationary Reciprocating Internal Combustion Engines) 40 CFR Part 63.6585(b), 63.6590(a)(1)(iii) 	3.9		
	40 CFR Part 63, Subpart OOOOa (Standards of Performance for Crude Oil and Natural Gas Facilities for which Construction, Modification or Reconstruction Commenced After September 18, 2015) 40 CFR Part 60.5365a(e) and (i) Subpart OOOOa	3.10	GHG VOCs	General Applicability
AA-003	40 CFR Part 60.5397a(a-g), Subpart OOOOa	3.11		Develop a fugitive emission monitoring plan
111-005	40 CFR Part 60.5397a(c)(7), Subpart OOOOa	3.12		Fugitive monitoring using optical gas imaging
	40 CFR Part 60.5397a(c)(8), Subpart OOOOa	3.13		Fugitive monitoring using Method 21
	40 CFR Part 60.5397a(h), Subpart OOOOa	3.14		Fugitive emission source repair or replacement requirements
	40 CFR Part 60.5425a and Table 3, Subpart OOOOa	3.15		General Provisions

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Emission Point	Applicable Requirement	Condition Number	Pollutant/ Parameter	Limitation/Standard
AA-005 AA-006 AA-007	11 Miss. Admin. Code Pt. 2, R. 2.2. B(10).	3.16	VOCs HAPs	Operational Requirement

- 3.1. For the entire facility, the permittee shall not cause, permit, or allow the emission of smoke from a point source into the open air from any manufacturing, industrial, commercial or waste disposal process which exceeds forty (40) percent opacity subject to the exceptions provided in (a) and (b).
 - a) Startup operations may produce emissions which exceed 40% opacity for up to fifteen minutes per startup in any one hour and not to exceed three startups per stack in any twenty-four-hour period.
 - b) Emissions resulting from soot blowing operations shall be permitted provided such emissions do not exceed 60 percent opacity, and provided further that the aggregate duration of such emissions during any twenty-four-hour period does not exceed ten minutes per billion BTU gross heating value of fuel in any one hour.

(Ref.: 11 Miss. Admin. Code Pt. 2, R. 1.3.A.)

3.2. For the entire facility, the permittee shall not cause, allow, or permit the discharge into the ambient air from any point source or emission, any air contaminant of such opacity as to obscure an observer's view to a degree in excess of 40% opacity, equivalent to that provided in Condition 3.1. This shall not apply to vision obscuration caused by uncombined water droplets.
(Ref.: 11 Miss. Admin. Code Pt. 2, R. 1.3.B.)

3.3. For the entire facility, the permittee shall not cause or permit the emission of any gas stream which contains hydrogen sulfide in excess of one grain per 100 standard cubic feet.

Gas streams containing hydrogen sulfide in excess of one grain per 100 standard cubic feet shall be incinerated at temperatures of not less than 1600 °F for a period of not less than 0.5 seconds, or processed in such manner which equivalent to or more effective for the removal of hydrogen sulfide.

(Ref.: 11 Miss. Admin. Code Pt. 2, R. 1.4. B(2).)

- 3.4. For the entire facility, the permittee shall limit VOC emissions to no more than 95.0 tons per year for each 12-month period on a rolling basis.
 (Ref.: <u>11 Miss. Admin. Code Pt. 2, R. 2.2. B(10).</u>)
- 3.5. For the entire facility, the permittee shall limit emissions of any individual HAP to no more than 9.0 tons per year for each 12-month period on a rolling basis. Also, the permittee shall limit the emissions of total HAPs to no more than 24.0 tons per year for each 12-month period on a rolling basis.
 (Ref.: 11 Miss. Admin. Code Pt. 2, R. 2.2. B(10).)

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3.6. For Emission Point AA-001, the maximum permissible emission of ash and/or particulate matter from fossil fuel burning installations of equal to or greater than 10 million BTU per hour per heat input shall not exceed an emission rate as determined by the relationship

 $E = 0.8808 * I^{-0.1667}$

where E is the emission rate in pounds per million BTU per hour heat input and I is the heat input in millions of BTU per hour. (Ref.: 11 Miss. Admin. Code Pt. 2, R. 1.3.D(1)(b).)

3.7. For Emission Point AA-001, in order to demonstrate a control efficiency of at least ninety-eight (98) percent, the permittee shall operate the control flare according to the requirements of 40 CFR Part 60.18(b) and Condition 4.1 at all times when receiving gas streams.

(Ref.: 11 Miss. Admin. Code Pt. 2, R. 2.2.B(10).)

- 3.8. For Emission Point AA-002, the maximum permissible emission of ash and/or particulate matter from fossil fuel burning installations of less than 10 million BTU per hour heat input shall not exceed 0.6 per million BTU per hour heat input. (Ref.: <u>11 Miss. Admin. Code Pt. 2, R. 1.3. D(1)(a).</u>)
- 3.9. Emission Point AA-002 is a stationary reciprocating internal combustion engine (RICE) constructed prior to June 12, 2006. The emission point is operating as an existing affected source located at an Area source for HAP emissions; therefore, AA-002 is subject to and shall comply with all applicable requirements of National Emission Standards for Hazardous Air Pollutants for Stationary Reciprocating Internal Combustion Engines (40 CFR Part 63, Subpart ZZZZ) and General Provisions (40 CFR Part 63, Subpart A). (Ref.: 40 CFR Part 63.6585(a) and (c), 63.6590(a)(1)(iii), Subpart ZZZZ)

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- 3.10. For Emission Point AA-003, the facility is subject to and shall comply with all applicable conditions of Standards of Performance for Crude Oil and Natural Gas Facilities for which Construction, Modification or Reconstruction Commenced After September 18, 2015. AA-003 is the collection of fugitive emissions components from equipment leaks at a well site. All oil storage tanks and water storage tanks will have potential emissions less than 6 tpy when considering the flare as a permitted control device; therefore, Subpart OOOOa is not applicable to any storage tank. (Ref.: 40 CFR Part 60.5365a(e) and (i), Subpart OOOOa)
- 3.11. For Emission Point AA-002, the permittee shall demonstrate compliance with Subpart OOOOa by monitoring all fugitive emission components, as defined in 40 CFR Part 60.5430a. For the purposes of this condition along with Conditions 3.12, 3.13, and 3.14, fugitive emissions are defined as: Any visible emission from a fugitive emissions component observed using optical gas imaging or an instrument reading of 500 parts per million (ppm) or greater using EPA Method 21 Volatile Organic Compound Leaks (Method 21).

The permittee shall develop an emissions monitoring plan that covers the collection of fugitive emissions components within each company-defined area. This monitoring plan shall include the information and elements specified in paragraphs (a) through (j) below:

- a) Frequency for conducting surveys.
 - 1. The permittee shall conduct an initial monitoring survey within 60 days of the startup of production for each collection of fugitive emissions components at a new well site. The startup of production is defined as the beginning of initial flow following the end of flowback when there is continuous recovery of salable quality gas and separation and recovery of any crude oil, condensate or produced water
 - 2. Thereafter, a monitoring survey shall be conducted at least semiannually. Consecutive semiannual monitoring surveys must be conducted at least 4 months apart. Each monitoring survey shall observe each fugitive emissions component for fugitive emissions.
- b) Technique used in detecting fugitive emissions (i.e. Method 21 from 40 CFR Part 60, Appendix A-7 or optical gas imaging).
- c) Manufacturer and model number of fugitive emission detection equipment used.
- d) Procedures and timeframes for identifying and repairing fugitive emissions components from which fugitive emissions are detected. This includes timeframes

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for fugitive emission components that are unsafe to repair. At a minimum, the repair schedule shall meet the requirements of Condition 3.14.

- e) Procedures and timeframes for verifying fugitive emission component repairs.
- f) Records that will be kept and the length of time these records will be kept.
- g) A representative site map shall be kept on-site at all times.
- h) A defined observation path that ensures all fugitive emissions components are within sight of the path. The observation path must account for interferences.
- i) If the permittee utilizes Method 21, the plan shall also include a list of fugitive emissions components to be monitored and the method for determining location of fugitive emissions components to be monitored in the field (e.g. tagging, identification on a process and instrumentation diagram, etc.).
- j) The plan shall also include the written plan developed for all of the fugitive emission components designated as difficult-to-monitor in accordance with 40 CFR Part 60.5397(g)(3)(i) and the written plan for fugitive emission components designated as unsafe-to-monitor in accordance with 40 CFR Part 60.5397(g)(3)(ii) and (g)(4).

(Ref.: 40 CFR Part 60.5397a(a-g), Subpart OOOOa)

- 3.12. For Emission Point AA-002, if the permittee utilizes optical gas imaging, the monitoring plan required in Condition 3.11 shall include the information specified in subparagraphs (a) through (g) below:
 - a) Verification that the optical gas imaging equipment is capable of imaging gases in the spectral range for the compound of highest concentration in the potential fugitive emissions. The optical gas imaging equipment must be capable of imaging a gas that is half methane, half propane at a concentration of 10,000 ppm at a flow rate of ≤ 60 grams per hour (g/hr) from a quarter inch diameter orifice. This verification is an initial verification and may either be performed by the permittee, by the manufacturer, or by a third party. For the purposes of complying with the fugitives emissions monitoring program with optical gas imaging, a fugitive emission is defined as any visible emissions observed using optical gas imaging.
 - b) Procedures for a daily verification check.
 - c) Procedures for determining the permittee's maximum viewing distance from the equipment and procedures for how the permittee will ensure that this distance is maintained.

- d) Procedures for determining maximum wind speed during which monitoring can be performed and procedures for how the permittee will ensure monitoring occurs only at wind speeds below this threshold.
- e) Procedures for conducting surveys, including how the permittee will ensure an adequate thermal background is present in order to view potential fugitive emissions, how the permittee will deal with adverse monitoring conditions, such as wind, and how the permittee will deal with interferences (e.g., steam).
- f) Specifications of the training and experience needed prior to performing surveys.
- g) Procedures for calibration and maintenance. At a minimum, procedures must comply with those recommended by the manufacturer.

(Ref.: 40 CFR Part 60.5397a(c)(7), Subpart OOOOa)

- 3.13. For Emission Point AA-002, if the permittee utilizes Method 21 from 40 CFR Part 60, Appendix A-7, the monitoring plan required in Condition 3.11 shall include the information specified in paragraphs (a) and (b) below:
 - a) Verification that all monitoring equipment meets the requirements specified in Section 6.0 of Method 21 from 40 CFR Part 60, Appendix A-7. For purposes of instrument capability, the fugitive emissions definition shall be 500 ppm or greater methane using a FID-based instrument. If the permittee uses an analyzer other than a FID-based instrument, the permittee shall develop a site-specific fugitive emission definition that would be equivalent to 500 ppm methane using a FID-based instrument (e.g., 10.6 eV PID with a specified isobutylene concentration as the fugitive emission definition would provide equivalent response to your compound of interest).
 - b) Procedures for conducting surveys. At a minimum, these procedures shall ensure that the surveys comply with the relevant sections of Method 21 from 40 CFR Part 60, Appendix A-7, including Section 8.3.1.

(Ref.: 40 CFR Part 60.5397a(c)(8), Subpart OOOOa)

- 3.14. For Emission Point AA-002, each identified source of fugitive emissions shall be repaired or replaced in accordance with paragraphs (a) through (c) below:
 - a) Each identified source of fugitive emissions shall be repaired or replaced as soon as practicable, but no later than 30 calendar days after detection of the fugitive emissions.
 - b) If the repair or replacement is technically infeasible, a well shutdown or well shutin, or would be unsafe to repair during operation of the unit, the repair or

replacement must be completed during the next well shutdown, well shut-in, after a planned or within 2 years, whichever is earlier.

- c) Each repaired or replaced fugitive emissions component must be resurveyed as soon as practicable, but no later than 30 days after being repaired, to ensure that there are no fugitive emissions. This survey shall comply with the requirements of (1) through (4), as applicable:
 - For repairs that cannot be made during the monitoring survey when the fugitive emissions are initially found, the operator may resurvey the repaired fugitive emissions components using either Method 21 or optical gas imaging within 30 days of finding such fugitive emissions.
 - 2. For each repair that cannot be made during the monitoring survey when the fugitive emissions are initially found, a digital photograph must be taken of that component or the component must be tagged for identification purposes. The digital photograph must include the date that the photograph was taken, must clearly identify the component by location within the site (e.g., the latitude and longitude of the component or by other descriptive landmarks visible in the picture).
 - 3. If the permittee utilizes Method 21 to resurvey the repaired fugitive emissions components, then the fugitive emissions component is considered repaired when the Method 21 instrument indicates a concentration of less than 500 ppm above background or when no soap bubbles are observed when the alternative screening procedures specified in Section 8.3.3 of Method 21 are used. The permittee shall utilize the Method 21 monitoring requirements specified in Condition 3.13(b) or the alternative screening procedures specified in Section 8.3.3 of Method 21.
 - 4. If the permittee utilizes optical gas imaging to resurvey the repaired fugitive emissions components, then the fugitive emissions component is considered repaired when the optical gas imaging instrument shows no indication of visible emissions. The permittee shall utilize the optical gas monitoring requirements specified in Condition 3.12.

(Ref.: 40 CFR Part 60.5397a(h), Subpart OOOOa)

3.15. For Emission Point AA-002, the permittee must comply with the General Provisions of 40 CFR Part 60.1 through 40 CFR Part 60.19 except for 40 CFR Part 60.11.

(Ref.: 40 CFR 60.5425a and Table 3, Subpart OOOOa)

Page 18 of 27 Air Construction No.: 2420-00054 74485 PER20180001 3.16. For Emission Points AA-005, AA-006, and AA-007, the permittee shall route all emissions to Emission Point AA-001 (Control Flare).

(Ref.: 11 Miss. Admin. Code Pt. 2, R. 2.2. B(10).)

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Emission Point	Applicable Requirement	Condition Number	Pollutant/ Parameter	Work Practice
AA-001	11 Miss. Admin. Code Pt. 2, R. 2.2. B(10).	4.1	VOCs	Operational Requirement
			HAPs	
AA-002	40 CFR Part 63.6603(a), Item 10 of Table 2d Subpart ZZZZ	4.2	HAPs	Operational Requirement
	40 CFR Part 63.6605, Subpart ZZZZ	4.3		Air pollution control practices.
	40 CFR Part 63.6625(e)(8), 63.6640(a), Item 9 of Table 6, Subpart ZZZZ	4.4		Operational Requirement
	40 CFR Part 63.6625(h), Subpart ZZZZ	4.5		Startup, Shutdown Requirement

- 4.1. For Emission Point AA-001, the permittee shall operate Emission Point AA-001 (Control Flare) according to the requirements specified in paragraphs (a) through (e):
 - a) The control flare shall be operated at all times when emissions may be vented to it.
 - b) The control flare shall be operated and maintained according to the manufacturer's recommendations.
 - c) The control flare shall be operated with no visible emissions as determined by EPA Method 22 – Visual Determination of Fugitive Emissions (Method 22), except for periods not to exceed a total of five (5) minutes during any two (2) consecutive hours.
 - d) The permittee shall maintain a control flare pilot flame, auto ignitor, or any equivalent device at all times when emissions may be vented to the control flare.
 - e) The control flare shall only be used with a combustion gas mixture whose net heating value is 300 BTU/scf or greater if the control flare is air or steam-assisted. If the control flare is non-assisted. If the control flare is non-assisted, the flare shall only be used with a combustion gas mixture whose net heating value is 200 BTU/scf or greater.
 - (Ref.: 11 Miss. Admin. Code Pt. 2, R. 2.2. B(10).)

- 4.2. For Emission Point AA-002, the permittee shall meet the following requirements:
 - a) Change oil and filter every 1,440 hours of operation or annually, whichever comes first.
 - b) Inspect spark plugs every 1,440 hours of operation or annually, whichever comes first.
 - c) Inspect all hoses and belts every 1,440 hours of operation or annually, whichever comes first.

(Ref.: 40 CFR Part 63.6603(a), Item 10 of Table 2d, Subpart ZZZZ)

4.3. For Emission Point AA-002, the permittee must be in compliance with the emission limitations, operating limitations, and other requirements of Subpart ZZZZ at all times. The permittee must operate AA-002 in a manner consistent with safety and good air pollution control practices for minimizing emissions. The general duty to minimize emissions does not require the permittee to make any further efforts to reduce emissions if levels required by this standard have been achieved. Determination of whether such operation and maintenance procedures are being used will be based on information available to MDEQ 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.

(Ref.: 40 CFR Part 63.6605, Subpart ZZZZ)

4.4. For Emission Point AA-002, the permittee shall operate and maintain the stationary RICE according to the manufacturer's emission-related written instructions or develop a maintenance plan which shall provide to the extent practicable for the maintenance and operation of the engine in a manner consistent with good air pollution control practice for minimizing emissions.

(Ref.: 40 CFR Part 63.6625(e)(8), 63.6640(a), Item 9 of Table 6, Subpart ZZZZ)

4.5. For Emission Point AA-002, the permittee shall minimize the engine's time spent at idle during startup and minimize the engine's startup time to a period needed for appropriate and safe loading of the engine, not to exceed 30 minutes, after which time the emission standards applicable to all times other than startup in Condition 4.2

(Ref.: 40 CFR Part 63.6625(h), Subpart ZZZZ)

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DRAFT/PROPOSE SECTION 5

MONITORING AND RECORDKEEPING REQUIREMENTS

Emission Point	Applicable Requirement	Condition Number	Pollutant/ Parameter	Monitoring/Recordkeeping Requirement
	11 Miss. Admin. Code Pt. 2, R. 2.9.	5.1	Recordkeeping	Maintain records for a minimum of 5 years.
Facility-Wide	11 Miss. Admin. Code Pt. 2, R. 2.2. B(11).	5.2	Production	Biennial natural gas analysis
		5.3	Recordkeeping	Recordkeeping Requirement
AA-001	11 Miss. Admin. Code Pt. 2, R. 2.2. B(11).	5.4	VOCs	Monitoring Requirement
AA-001		5.5	HAPs	Recordkeeping Requirement
AA-002	40 CFR Part 63.6655(a), 63.6655(d), 63.6655(e)(3) Subpart ZZZZ	5.6	HAPs	Recordkeeping Requirement
	40 CFR Part 63.6660, Subpart ZZZZ	5.7		Recordkeeping Requirement
AA-003	40 CFR Part 60.5410a(j), Subpart OOOOa	5.8		Demonstration of initial compliance
	40 CFR Part 60.5415a(h), Subpart OOOOa	5.9	GHG VOCs	Demonstration of continuous compliance
	40 CFR Part 60.5397(i) and 60.5420a(c), Subpart OOOOa	5.10		Recordkeeping requirements

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- 5.1. For the entire facility, the permittee shall retain all required records, monitoring data, supporting information and reports for a period of at least five (5) years from the date of the monitoring sample, measurement, report, or application. Support information includes all calibration and maintenance records, all original strip-chart recordings or other data for continuous monitoring instrumentation, and copies of all reports required by this permit. Copies of such records shall be submitted to MDEQ as required by Applicable Rules and Regulations of this permit upon request. (Ref.: 11 Miss. Admin. Code Pt. 2, R. 2.9.)
- 5.2. For the entire facility, the permittee shall perform a biennial natural gas analysis which shall determine the following properties of the gas: hydrogen sulfide concentration, sulfur content, methane concentration (by volume), gross heating value, molecular weight, specific gravity, and speciated VOC components. Additionally, an updated field gas analysis shall be conducted no later than 90 days following the startup of any new wells. (Ref.: <u>11 Miss. Admin. Code Pt. 2, R. 2.2. B(11).</u>)
- 5.3. For the entire facility, in order to demonstrate compliance with the limitations specified in Section 3, the permittee shall maintain the following records:
 - a) VOC, individual HAP, and total HAP emissions in tons per year shall be recorded on a monthly basis for each consecutive 12-month period on a rolling basis. The record shall demonstrate compliance utilizing gas flow measurement, gas analysis, calculations, and any other relevant information.
 - b) The results of the gas analysis conducted on the produced natural gas specified in Condition 5.2.
 - c) The calculated cubic feet of natural gas burned, as fuel, on a monthly basis.
 - d) The barrels of oil produced on a monthly basis.
 - e) The cubic feet of natural gas produced on a monthly basis.
 - f) The cubic feet of natural gas flared on a monthly basis.
 - g) Records of the monthly visible emission observation on the flare.

(Ref.: 11 Miss. Admin. Code Pt. 2, R. 2.2. B(11).)

- 5.4. For Emission Point AA-001, the permittee shall comply with the following monitoring requirements listed below:
 - a) Monitor the presence of the control flare pilot flame or auto ignitor by using a thermocouple or equivalent device, or a visual observation of the presence of a flame daily.
 - b) Perform weekly visual observations of the control flare for a minimum of five (5) minutes during operations using Method 22. If smoke is observed, corrective actions shall be taken. To demonstrate compliance with the visible emissions limitation in Condition 4.1(c), the permittee shall perform a follow-up visual observation for a period of two (2) hours using Method 22 immediately after the appropriate corrective action(s) has been made.
 - c) Perform an annual field gas analysis to determine the net heating value of the gas being combusted by the control flare.
 - d) Determine the volume of gas being combusted by the flare using gas flow measurement, gas analysis, calculations, and other relevant information.

(Ref.: 11 Miss. Admin. Code Pt. 2, R. 2.2. B(11).)

- 5.5. For Emission Point AA-001, the permittee shall keep the following records listed below:
 - a) Keep records of all maintenance performed on the control flare in order to operate the control flare according to the manufacturer's recommendations.
 - b) Maintain hourly records of the thermocouple or equivalent device output demonstrating the presence of a flame in the control flare whenever the control flare is in operation. If the permittee is complying with the flame detection requirement using the visual observation requirement, then the permittee shall maintain daily records which document that the observation occurred, the date and time of the observation, whether or not the flame was present, and what, if any, corrective actions were taken.
 - c) Maintain records of all visual observations, the nature and cause of any visible emissions, the date and time when the visual observations were conducted and any corrective action(s) that were taken.
 - d) Maintain records of the field gas analysis performed to determine the net heating value of the combusted gas.
 - e) Keep monthly records of the gas being combusted in scf.

(Ref.: 11 Miss. Admin. Code Pt. 2, R. 2.2. B(11).)

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- 5.6. For Emission Point AA-002, the permittee must keep the following records:
 - a) A copy of each notification and report submitted by the permittee to comply with Subpart ZZZZ, including all documentation supporting any Initial Notification or Notification of Compliance Status that is submitted, according to the requirement in 63.10(b)(2)(xiv).
 - b) Records of the occurrence and duration of each malfunction of operation or the air pollution control and monitoring equipment.
 - c) Records of performance tests and performance evaluations as required by 63.10(b)(2)(viii).
 - d) Records of all required maintenance performed on the air pollution control and monitoring equipment.
 - e) Records of actions taken during periods of malfunction to minimize emissions in accordance with Condition 4.3, including corrective actions to restore malfunctioning process and air pollution control and monitoring equipment to its normal or usual manner of operation.

The permittee must keep the records required in Condition 4.4 to show continuous compliance with each emission and operating limitation.

The permittee must keep records of the maintenance conducted on the existing stationary RICE in order to demonstrate that AA-002 was operated and maintained according to the maintenance plan.

(Ref.: 40 CFR Part 63.6655(a), 63.6655(d), 63.6655(e)(3), Subpart ZZZZ)

- 5.7. For Emission Point AA-002, records must be in a form suitable and readily available for expeditious review. Each record must be kept readily accessible in hard copy or electronic form for at least 5 years after the date of each occurrence, measurement, maintenance, corrective action, report, or record, according to 63.10(b)(1). (Ref.: <u>40 CFR Part 63.6660, Subpart ZZZZ</u>)
- 5.8. For Emission Point AA-002, the permittee shall demonstrate initial compliance with the fugitive emission standards for each collection of fugitive emissions components at a well site by complying with the requirements of paragraphs (a) through (e) below. The initial compliance period begins upon initial startup and ends no later than one (1) year after the initial startup date. The initial compliance period may be less than one full year.
 - a) The permittee shall develop a fugitive emissions monitoring plan as required in Condition 3.11.
 - b) The permittee shall conduct an initial monitoring survey as required in Condition 3.11(a).

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- c) The permittee shall maintain the records specified in Condition 5.10.
- d) The permittee shall repair each identified source of fugitive emissions for each affected facility as required in Condition 3.14.
- e) The permittee shall submit the initial annual report for each collection of fugitive emissions components at a well site as required in Condition 6.5.

(Ref.: 40 CFR Part 60.5397a(j), Subpart OOOOa)

- 5.9. For Emission Point AA-002, the permittee shall demonstrate continuous compliance with the fugitive emission standards for each collection of fugitive emissions components at a well site by complying with the requirements of paragraphs (a) through (d) below:
 - a) The permittee shall conduct periodic monitoring surveys as required in Condition 3.11(a).
 - b) The permittee shall repair or replace each identified source of fugitive emissions as required in Condition 3.14.
 - c) The permittee shall maintain the records specified in Condition 5.10.
 - d) The permittee shall submit annual reports for the collection of fugitive emissions components at a well site as required in Condition 6.5.

(Ref.: 40 CFR Part 60.5415a(h), Subpart OOOOa)

5.10. For Emission Point AA-002, the permittee shall maintain the records identified in 40 CFR Part 60.7(f) and in all applicable paragraphs of 40 CFR Part 60.5420a(c)(1) through (c)(16), specifically the fugitive emissions survey records required in 40 CFR Part 5420a(c)(15). This information includes, but is not limited to, date of the survey, beginning and end time of survey, name of operator, monitoring equipment used, and detailed information on located fugitives. All required records must be maintained either on-site or at the nearest local field office for at least five (5) years. Any required records which are submitted electronically via EPA's CDX may be maintained in electronic format.

(Ref.: 40 CFR Part 60.5397(i) and 60.5420a(c), Subpart OOOOa)

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REPORTING REQUIREMENTS

Emission Point	Applicable Requirement	Condition Number	Reporting Requirement
	11 Miss. Admin. Code Pt. 2, R. 2.2.B(11).	6.1	Report permit deviations within five (5) working days.
Facility-Wide	11 Miss. Admin. Code Pt. 2, R. 2.2.B(11).	6.2	Submit certified annual monitoring report.
	11 Miss. Admin. Code Pt. 2, R. 2.2.B(11).	6.3	All documents submitted to MDEQ shall be certified by a Responsible Official.
AA-003	40 CFR Part 60.5420a(b), Subpart OOOOa	6.4	Fugitive Emissions Reporting Requirement

- 6.1. Except as otherwise specified herein, the permittee shall report all deviations from permit requirements, including those attributable to upsets, the probable cause of such deviations, and any corrective actions or preventive measures taken. Said report shall be made within five (5) working days of the time the deviation began. (Ref.: <u>11 Miss. Admin. Code Pt. 2, R. 2.2. B(11).</u>)
- 6.2. The permittee shall submit a certified annual synthetic minor monitoring report postmarked no later than the 31st of January for the preceding calendar year. This report shall address any required monitoring specified in the permit. Specifically, this report shall include the 12-month rolling totals of VOC and HAP emissions, in tons per year, for the receding calendar year. Furthermore, the report shall include a summary of the monthly amounts of the volume of gas, in scf, combusted by the control flare and the results of the required field gas analysis during the years on which the gas analysis occurs. All instances of deviations from permit requirements must be clearly identified in the report. Where no monitoring data is required to be reported and/or there are no deviations to report, the report shall contain the appropriate negative declarations. (Ref.: <u>11 Miss. Admin. Code Pt. 2, R. 2.2. B(11).</u>)
- 6.3. Any document required by this permit to be submitted to MDEQ shall contain a certification signed by a responsible official stating that, based on information and belief formed after reasonable inquiry, the statements and information in the document are true, accurate and complete.

(Ref.: 11 Miss. Admin. Code Pt. 2, R. 2.2. B(11).)

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6.4. For Emission Point AA-003, the permittee shall submit annual reports containing the information specified in 40 CFR 60.5420a(b)(1), (b)(7), and (b)(11). The initial annual report is due no later than 90 days after the end of the initial compliance period as determined according to Condition 5.8. Subsequent annual reports are due no later than same date each year as the initial annual report. If the permittee owns or operates more than one affected facility, the permittee may submit one report for multiple affected facilities provided the report contains all of the information required as specified in 40 CFR Part 60.5420a(b)(1) through (b)(8), as applicable, except as provided in 40 CFR Part 60.5420a(b)(13).

The permittee must submit reports to the EPA via the CEDRI. (CEDRI can be accessed through the EPA's CDX (https://cdx.epa.gov/).) The permittee must use the appropriate electronic report in CEDRI for this subpart or an alternate electronic file format consistent with the extensible markup language (XML) schema listed on the CEDRI Web site (https://www3.epa.gov/ttn/chief/cedri/). If the reporting form specific to this subpart is not available in CEDRI at the time that the report is due, you must submit the report to the Administrator at the appropriate address listed in 40 CFR Part 60.4. Once the form has been available in CEDRI for at least 90 calendar days, the permittee must begin submitting all subsequent reports via CEDRI. The reports must be submitted by the deadlines specified in 40 CFR Part 60 Subpart OOOOa regardless of the method in which the reports are submitted.

(Ref.: 40 CFR Part 60.5420a(b), Subpart OOOOa)