STATE OF MISSISSIPPI AND FEDERALLY ENFORCEABLE AIR POLLUTION CONTROL

PERMIT

TO OPERATE AIR EMISSIONS EQUIPMENT AT A SYNTHETIC MINOR SOURCE

THIS CERTIFIES THAT

Deepwell Energy Services LLC, Waynesboro 6739 US Highway 84 West Waynesboro, Mississippi Wayne County

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

AUTHORIZED SIGNATURE

MISSISSIPPI DEPARTMENT OF ENVIRONMENTAL QUALITY

Issued: DEC 1 9 2017

Permit No.: 2840-00033

Effective Date: As specified herein.

Expires: November 30th, 2022

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Section 1.

A. GENERAL CONDITIONS

- 1. This permit is for air pollution control purposes only. (Ref.: 11 Miss. Admin. Code Pt. 2, R. 2.1.D.)
- 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)

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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 52.21 or under regulations approved pursuant to 40 CFR 51.166; or
 - (2) The source is approved to use under any permit issued under 40 CFR 52.21 or under regulations approved pursuant to 40CFR 51.66;

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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 52.21 or under regulations approved pursuant to 40 CFR Subpart I or 40 CFR 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. (Ref.: Miss. Code Ann. 49-17-29 1.a(i and ii))
- 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:
 - (i) 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;

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- (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 established for startups and shutdowns 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.: 11 Miss. Admin. Code Pt. 2, R. 1.10.)

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- 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

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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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SECTION 2 - EMISSION POINT DESCRIPTION

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

Emission Point	Description
AA-002	Sawmill which consists of log debarking, bark loadout, sawing of logs, and chipping of board ends and slabs. This emission point has a cyclone for product recovery and control of particulate matter.
AA-003	Chip mill which consists of log debarking, bark grinding, bark loadout, chipping, re-chipping, and shake sorting of chips. This emission point has a cyclone for product recovery and control of particulate matter.
AA-004	Lumber dip tank where lumber bundles are dipped into an insecticide solution
AA-005	Spray Paint Booth
AA-006	Three closed lid parts washers that drain to self-closing drums.
AA-007	Three natural gas-fired space heaters and one propane-fired space heater with a total combined heat input of 93,000 BTU/hr.
AA-008	Intermittent Welding Operations
AA-009	Eight above ground storage tanks that are used exclusively to store diesel, crude oil, and oily wastewater.

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SECTION 3 -EMISSION LIMITATIONS AND STANDARDS

Emission Point	Applicable Requirement	Condition Number(s)	Pollutant/ Parameter	Limitation/Standard
Facility wide	11 Miss. Admin. Code Pt. 2, R.1.3.	3.1 & 3.2	Opacity	40%
AA-002 and AA-003	11 Miss. Admin. Code Pt. 2, R.1.3.F(1)	3.3	PM	E=4.1p^0.67
AA-005	11 Miss. Admin. Code Pt. 2, R. 2.2.B(10)	3.5	Xylene/HAPs	8.0 tons/year Xylene and 20.0 tons/year for total combined HAPs

- 3.1 Except as otherwise specified or limited herein, 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) & (b).
 - (a) Startup operations may produce emissions which exceed 40% opacity for up to fifteen (15) minutes per startup in any one hour and not to exceed three (3) startups per stack in any twenty-four (24) 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 (24) hour period does not exceed ten (10) 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 Except as otherwise specified or limited herein, the permittee shall not cause, allow, or permit the discharge into the ambient air from any point source or emissions, 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 Emission Point AA-002 and AA-003, the permittee shall not cause, permit, or allow the emissions, in any one hour, particulate matter in total quantities in excess of the amount determined by the relationship:

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where E is the emission rate in pounds per hour and p is the process weight input rate in tons per hour.

Conveyor discharge of coarse solid matter may be allowed if no nuisance is created beyond the property boundary where the discharge occurs. (Ref.: 11 Miss. Admin. Code Pt. 2, R.1.3.F(1))

- 3.4 For Emission Points AA-004, AA-006, AA-007, AA-008 and AA-009, air emissions equipment shall be operated as efficiently as possible to provide the maximum reduction of air contaminants. (Ref.:11 Miss. Admin. Code Pt. 2, R.2.2.B(10))
- 3.5 For Emission Point AA-005, Xylene emissions shall be limited to 8.0 tons/year and 20.0 tons/year for total combined HAPs, as determined by EPA Test Methods 24, 40 CFR 60, Appendix A or an approved alternative test method. (Ref.: 11 Miss. Admin. Code Pt. 2, R. 2.2.B(10))

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SECTION 4 - WORK PRACTICES

THIS SECTION WAS INTENTIONALLY LEFT BLANK SINCE NO WORK PRACTICE STANDARDS APPLY TO THIS PERMIT ACTION

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SECTION 5 - MONITORING AND RECORDKEEPING REQUIREMENTS

Emission Point	Applicable Requirement	Condition Number(s)	Pollutant/ Parameter	Monitoring/Recordkeeping Requirement
Facility- Wide	11 Miss. Admin. Code Pt. 2, R. 2.9.	5.1	Recordkeeping	Maintain records for a minimum of 5 years.
AA-002 and AA-003	11 Miss. Admin. Code Pt. 2, R.2.2.B(10)	5.2	Recordkeeping	Weekly inspections of pollution control equipment
AA-002, AA-003 and AA-005	11 Miss. Admin. Code Pt. 2, R.2.2.B(10)	5.3	Opacity/ Recordkeeping	Weekly opacity observations
AA-005	11 Miss. Admin. Code Pt. 2, R.2.2.B(10)	5.4	VOC/HAPs/ Recordkeeping	 (a) The inks, ink additives, adhesives, coatings and solvents used during a reporting period; (b) The total gallons and/or pounds of each ink, ink additive, adhesive, coating and solvent used in each calendar year; (c) The percentage of VOCs by weight and the percentage of each Hazardous Air Pollutant (HAP) of each ink, ink additive, adhesive, coating and solvent. A description of the method used to determine the VOC and HAP content(s) shall accompany this data; (d) The total VOC emission rate, the emission rate of each individual HAP and the total HAP emission rate in both pounds/day and tons/year for each calendar

- 5.1 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 or this permit upon request. (Ref.: 11 Miss. Admin. Code Pt. 2, R. 2.9.)
- 5.2 For Emission Points AA-002 and AA-003, the permittee shall perform regular inspections and any required maintenance each week or more often if necessary to maintain proper operation of the pollution control equipment. Records of these inspections and any required maintenance shall be kept in log form, made available for review upon request, and a summary report shall be submitted in accordance with Condition 6.2. The permittee shall also maintain on hand at all times sufficient equipment

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- as is necessary to repair and/or replace the pollution control equipment. (Ref.: 11 Miss. Admin. Code Pt. 2, R.2.2.B(10))
- 5.3 For Emission Points AA-002, AA-003 and AA-005, the permittee shall perform visible emissions evaluations in accordance with EPA Reference Method 9 on a weekly basis. The permittee shall also keep records of these evaluations and submit a summary of these records in log form in accordance with Condition 6.2. (Ref.:11 Miss. Admin. Code Pt. 2, R.2.2.B(10))
- 5.4 For Emission Point AA-005, the permittee shall determine the following for each ink, ink additive, adhesive, coating and solvent utilizing data supplied by the manufacturer or by analysis of each ink, ink additive, adhesive, coating and solvent using EPA Reference Method 24, CFR 60, Appendix A:
 - (a) The inks, ink additives, adhesives, coatings and solvents used during a reporting period;
 - (b) The total gallons and/or pounds of each ink, ink additive, adhesive, coating and solvent used in each calendar year;
 - (c) The percentage of VOCs by weight and the percentage of each Hazardous Air Pollutant (HAP) of each ink, ink additive, adhesive, coating and solvent. A description of the method used to determine the VOC and HAP content(s) shall accompany this data;
 - (d) The total VOC emission rate, the emission rate of each individual HAP and the total HAP emission rate in both pounds/day and tons/year for each calendar

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

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SECTION 6 - REPORTING REQUIREMENTS

Emission Point	Applicable Requirement	Condition Number(s)	Reporting Requirement
Facility- Wide	11 Miss. Admin. Code Pt. 2, R. 2.2.B(11).	6.1	Report permit deviations within five (5) working days.
	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.
A-005	11 Miss. Admin. Code Pt. 2, R.2.2.B(10)	6.4	Submit annual report summarizing the records and calculations from Condition 5.6

- 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.: 11 Miss. Admin. Code Pt. 2, R. 2.2.B(11).)
- 6.2 Except as otherwise specified herein, the permittee shall submit a certified annual synthetic minor monitoring report postmarked no later than 31st of January for the preceding calendar year. This report shall address any required monitoring specified in the permit. 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 declaration. (Ref.: 11 Miss. Admin. Code Pt. 2, R. 2.2.B(11).)
- 6.3 Any document required by this permit to be submitted to the 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).)

- 6.4 For Emission Point AA-005, the permittee shall submit to the Office of Pollution Control, an annual report summarizing:
 - (a) Each ink, ink additive, adhesive, coating and solvent used;
 - (b) The total gallons and/or pounds of each ink, ink additive, adhesive, coating and solvent used in the preceding calendar year;

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- (c) The VOC and the HAP content(s) of each ink, ink additive, adhesive, coating and solvent;
- (d) The total VOC emission rate, the emission rate of each individual HAP and the total HAP emission rate in both pounds/day and tons/year for the preceding calendar year.

The reports shall be submitted in accordance with Condition 6.2. (Ref.: 11 Miss. Admin. Code Pt. 2, R.2.2.B(10))