

**United States Environmental Protection Agency
Region 8
Air and Radiation Program
1595 Wynkoop Street
Denver, CO 8020**



**AIR POLLUTION CONTROL
TITLE V PERMIT TO OPERATE**

In accordance with the provisions of title V of the Clean Air Act and 40 CFR part 71 and applicable rules and regulations,

**Samson Resources
Worford Ridge Compressor Station**

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

This source is authorized to operate at the following location:

**Southern Ute Indian Reservation
NW/4 SE/4 Section 16, T33N, R8W
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 EPA and citizens under the Clean Air Act.

A handwritten signature in black ink, appearing to read "Callie A. Videtich".

Callie A. Videtich, Director
Air and Radiation Program
US EPA Region VIII

2/5/08
Date

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**AIR POLLUTION CONTROL
TITLE V PERMIT TO OPERATE
Samson Resources Company
Worford Ridge Compressor Station**

Permit Number: V-SU-0046-07.01
Replaces Permit No.: V-SU-0046-07.00

Issue Date: February 5, 2008
Effective Date: February 5, 2008
Expiration Date: July 6, 2012

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

Permit Revision History

DATE OF REVISION	TYPE OF REVISION	SECTION NUMBER, CONDITION NUMBER	DESCRIPTION OF REVISION
June 2007	Initial Permit Issuance		Permit#V-SU-0046-07.00
January 2008	Administrative Amendments	Permit Cover; I.A. Source Information; II.D. Alternative Operating Scenarios; III.A. Annual Fee Payment; III.Q. Off Permit Changes; V. Appendix	Permit#V-SU-0046-07.01 Moved permit numbers and issue/effective/expiration dates from signature cover page to new permit issuance cover page following signature cover page. Removed facility contact information. Information now located only in Statement of Basis. Text was revised for clarification purposes. Bank name and address for submittal of annual fee payments was changed. Text was revised for clarification purposes. Moved permit revision history table from appendix to new permit issuance cover page.

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Abbreviations and Acronyms

AR	Acid Rain
ARP	Acid Rain Program
bbls	Barrels
BACT	Best Available Control Technology
CAA	Clean Air Act [42 U.S.C. Section 7401 et seq.]
CAM	Compliance Assurance Monitoring
CEMS	Continuous Emission Monitoring System
CFR	Code of Federal Regulations
CMS	Continuous Monitoring System (includes COMS, CEMS and diluent monitoring)
COMS	Continuous Opacity Monitoring System
CO	Carbon monoxide
CO ₂	Carbon dioxide
DAHS	Data Acquisition and Handling System
dscf	Dry standard cubic foot
dscm	Dry standard cubic meter
EIP	Economic Incentives Programs
EPA	Environmental Protection Agency
FGD	Flue gas desulfurization
gal	Gallon
GPM	Gallons per minute
H ₂ S	Hydrogen sulfide
gal	gallon
HAP	Hazardous Air Pollutant
hr	Hour
Id. No.	Identification Number
kg	Kilogram
lb	Pound
MACT	Maximum Achievable Control Technology
MVAC	Motor Vehicle Air Conditioner
Mg	Megagram
MMBtu	Million British Thermal Units
mo	Month
NESHAP	National Emission Standards for Hazardous Air Pollutants
NMHC	Non-methane hydrocarbons
NO _x	Nitrogen Oxides
NSPS	New Source Performance Standard
NSR	New Source Review
pH	Negative logarithm of effective hydrogen ion concentration (acidity)
PM	Particulate Matter
PM ₁₀	Particulate matter less than 10 microns in diameter
ppm	Parts per million
PSD	Prevention of Significant Deterioration
PTE	Potential to Emit
psi	Pounds per square inch
psia	Pounds per square inch absolute
RMP	Risk Management Plan
scfm	Standard cubic feet per minute
SNAP	Significant New Alternatives Program
SO ₂	Sulfur Dioxide
tpy	Ton Per Year
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

Plant Name: Worford Ridge Compressor Station

Plant Mailing Address: Two West Second Street
Tulsa, OK 74103

Plant Location: NW/4 SE/4 Section 16, T33N, R8W

Region: VIII

State: Colorado

County: La Plata

Reservation: Southern Ute Indian Reservation

Tribe: Southern Ute Indian Tribe

SIC Code: 1311

AFS Plant Identification Number: 0806701089

Other Clean Air Act Permits: No other Federal Clean Air Act Permits

Description of Process:

The Worford Ridge Compressor Station is a facility that compresses inlet coalbed methane gas gathered from several wells to transmission pipeline pressures. The natural gas originates from the Fruitland coal formation.

The gas entering the facility is first fed through an inlet scrubber to gravimetrically remove any water that may be in the gas. The removed water is transferred to a storage tank where it is stored until it can be removed from the facility. The pipelines are periodically cleaned using pigging operations in the southwest corner of the facility. The separator overhead is fed to one of up to four compressor engines from the common suction header pipe. The compressors discharge the gas into a common discharge header that feeds into the TEG dehydration unit. Triethylene glycol is circulated counter-currently and absorbs water from the gas in the contactor. Rich triethylene glycol is circulated to a reboiler, where moisture absorbed from the gas is driven to the atmosphere by heating the glycol. Dry gas exits the contactor and enters the sales line, where it is metered and exits the facility.

The gas throughput of the facility is currently 30 MMscfd. Upon the installation of a planned fourth engine, the gas throughput will be 40 MMscfd.

The potential to emit for the facility (including the planned fourth engine) is follows:

Nitrogen oxides (NO_x) – 135.2 tpy
Carbon monoxide (CO) – 97.2 tpy
Volatile organic compounds (VOC) – 42.8 tpy
Small particulates (PM₁₀) – 0 tpy
Lead - 0 tpy
Sulfur dioxide (SO₂) - 0 tpy
Total hazardous air pollutants (HAP's) – 9.2 tpy
Largest single HAP (formaldehyde, HCHO) – 8.8 tpy
Benzene - < 1 tpy

I.B. Source Emission Points

**Table 1 - Emission Units
Samson Worford Ridge Compressor Station**

Emission Unit Id.	Description	Control Equipment
C-101 C-102 C-103 C-104 D1	Waukesha L5794LT Compressor Engines, 1400 bhp, natural gas fired: Serial no. C-15962/1 Installed 8/16/2006 Serial no. C-15963/1 Installed 8/16/2006 Serial no. C-15964/1 Installed 8/16/2006 Serial no. TBD Installed TBD Serial no. 102172 Installed 8/16/2006	Johnson-Mathey Oxidation Catalyst*

* While the engines are controlled with oxidation catalysts to control CO (75% reduction) and Formaldehyde (60% reduction), there are no conditions in this permit to make the use of the catalysts enforceable. Therefore, the PTE of the facility is based on uncontrolled emissions.

**Table 2 - Insignificant Emission Units
Samson Worford Ridge Compressor Station**

Emission Unit ID	Description
IEU-1 through IEU- 4	4 – 500 gallon lubricating oil storage tanks
IEU-5	1 – 500 gallon ethylene glycol (antifreeze) storage tank
IEU-6	1 – 500 gallon triethylene glycol (TEG) storage tank
IEU-7 & IEU-8	2 – 500 bbl produced water storage tanks
IEU-9	1 – 400 bbl slop tank
IEU-10	1 - 0.75 MMBtu/hr natural gas fired regenerator burner
IEU-11 through IEU-13	3 – 0.12 MMBtu/hr natural gas fired tank heaters
IEU-14	pig launcher

II. Facility-Wide Requirements

II.A. Recordkeeping Requirements [40 CFR 71.6(a)(3)(ii)]

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** and **Table 2** of section **I.B.**

[40 CFR 71.6(a)(1)]

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 on site at the source 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. The permittee is an owner or operator of a glycol dehydration unit that is exempt from the control requirements under §63.764(e)(1). The permittee shall retain the GRI-GLYCalc determination used to demonstrate that actual average benzene emissions are below 1 tpy.

[40 CFR 63.774(d)(1)]

3. Records shall be kept, as required by the Off-Permit Changes condition of this permit, for changes made in accordance with the approved Alternative Operating Scenario.

II.B. General Reporting Requirements [40 CFR 71.6(a)(3)(iii)]

1. The permittee shall promptly report to the EPA Regional Office deviations from permit requirements, including those attributable to upset conditions as defined in this permit, the probable cause of such deviations, and any corrective actions or preventive measures taken. “Prompt” is defined as follows:
 - (a) Any definition of “prompt” or a specific timeframe for reporting deviations provided in an underlying applicable requirement as identified in this permit;
 - (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 within 24 hours of the occurrence.
 - (ii) For emissions of any regulated air pollutant, excluding a hazardous air pollutant or a toxic air pollutant that continues for more than two hours in excess of permit requirements, the report must be made within 48 hours.
 - (iii) For all other deviations from permit requirements, the report shall be submitted with the semi-annual monitoring report.
- 2. If any of the conditions in **II.B.1.(b)(i)** or **(ii)** are met, the source must notify EPA by telephone (1-800-227-8917) or facsimile (303-312-6064) based on the timetables listed above. *[Notification by telephone or fax must specify that this notification is a deviation report for a part 71 permit]*. A written notice, certified consistent with section **III.E** of this permit must be submitted within 10 working days of the occurrence. All deviations reported under this section must also be identified in the 6-month report required under this permit.

[Explanatory note: To help part 71 permittees meet reporting responsibilities, EPA has developed a form “PDR” for prompt deviation reporting. The form may be found on EPA website at: <http://www.epa.gov/air/oagps/permits/p71forms.html>]

- 3. “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 §71.6(a)(3)(i) and (a)(3)(ii). 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 demonstrates noncompliance with an emission limitation or standard or any work practice or operating condition required by the permit.

II.C. Permit Shield [40 CFR 71.6(f)(3)]

Nothing in this permit shall alter or affect the following:

1. The liability of a permittee for any violation of applicable requirements prior to or at the time of permit issuance;
2. The ability of the EPA to obtain information under section 114 of the Clean Air Act; or
3. The provisions of section 303 of the Clean Air Act (emergency orders), including the authority of the Administrator under that section.

II.D. Alternative Operating Scenarios [40 CFR 71.6(a)(9) and 40 CFR 71.6(a)(3)(ii)]

Gas- Fired Engine Replacement/Overhaul

Replacement of an existing permitted engine with a new or overhauled engine of the same make, model, horsepower rating, and configured to operate in the same manner as the engine being replaced, and which satisfies all the provisions for Off-Permit Change under this permit, including the provisions specific to engine replacement, shall be considered an allowed alternative operating scenario under this permit.

Any emission limits, requirements, control technologies, testing or other provisions that apply to engines that are replaced under this Alternative Operating Scenarios section shall also apply to the replacement engines.

[Explanatory Note: This section was included to allow for Off-Permit replacement of engines that may have existing federally enforceable limits. For replacement engines which trigger new applicable requirements (i.e., NSPS, NESHAP, etc.), the minor permit modification process (condition III.I of this permit) shall be utilized to maintain the permitted emission limits of the replaced engine and incorporate the new applicable requirements.]

III. Part 71 Administrative Requirements

III.A. Annual Fee Payment [40 CFR 71.6(a)(7) and 40 CFR 71.9]

1. The permittee shall pay an annual permit fee in accordance with the procedures outlined below.
[40 CFR 71.9(a)]
2. The permittee shall pay the annual permit fee each year no later than April 1st. The fee shall cover the previous calendar year.
[40 CFR 71.9(h)]
3. The fee payment shall be in United States currency and shall be paid by money order, bank draft, certified check, corporate check, or electronic funds transfer payable to the order of the U.S. Environmental Protection Agency.
[40 CFR 71.9(k)(1)]
4. The permittee shall send fee payment and a completed fee filing form to:

For regular U.S. Postal Service mail

U.S. Environmental Protection Agency
FOIA and Miscellaneous Payments
Cincinnati Finance Center
P.O. Box 979078
St. Louis, MO 63197-9000

For non-U.S. Postal Service express mail

(FedEx, Airborne, DHL, and UPS)
U.S. Bank
Government Lockbox 979078
U.S. EPA FOIA & Misc. Payments
1005 Convention Plaza
SL-MO-C2-GL
St. Louis, MO 63101

[40 CFR 71.9(k)(2)]

5. The permittee shall send an updated fee calculation worksheet form and a photocopy of each fee payment check (or other confirmation of actual fee paid) submitted annually by the same deadline as required for fee payment to the address listed in section **III.E.** of this permit.

[40 CFR 71.9(h)(1)]

[Explanatory note: The fee filing form “FF” and the fee calculation worksheet form “FEE” may be found on EPA website at: <http://www.epa.gov/air/oaqps/permits/p71forms.html>]

6. Basis for calculating annual fee:
 - (a) The annual emissions fee shall be calculated by multiplying the total tons of actual emissions of all “regulated pollutants (for fee calculation)” emitted from the source by the presumptive emissions fee (in dollars/ton) in effect at the time of calculation.

[40 CFR 71.9(c)(1)]

- (i) “Actual emissions” means the actual rate of emissions in tpy of any regulated pollutant (for fee calculation) emitted from a part 71 source over the preceding calendar year. 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.

[40 CFR 71.9(c)(6)]

- (ii) Actual emissions shall be computed using methods required by the permit for determining compliance, such as monitoring or source testing data.

[40 CFR 71.9(h)(3)]

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

[40 CFR 71.9(e)(2)]

[Explanatory note: The presumptive fee amount is revised each calendar year to account for inflation, and it is available from EPA prior to the start of each calendar year.]

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

- (i) The amount of actual emissions of each regulated pollutant (for fee calculation) that the source emits in excess of 4,000 tons per year;

[40 CFR 71.9(c)(5)(i)]

- (ii) Actual emissions of any regulated pollutant (for fee calculation) already included in the fee calculation; and

[40 CFR 71.9(c)(5)(ii)]

- (iii) The quantity of actual emissions (for fee calculation) of insignificant activities [defined in §71.5(c)(11)(i)] or of insignificant emissions levels from emissions units identified in the permittee’s application pursuant to §71.5(c)(11)(ii).

[40 CFR 71.9(c)(5)(iii)]

- 7. Fee calculation worksheets shall be certified as to truth, accuracy, and completeness by a responsible official.

[40 CFR 71.9(h)(2)]

[Explanatory note: The fee calculation worksheet form already incorporates a section to help you meet this responsibility.]

8. The permittee shall retain fee calculation worksheets and other emissions-related data used to determine fee payment for 5 years following submittal of fee payment.
[Emission-related data include, for example, emissions-related forms provided by EPA and used by the permittee for fee calculation purposes, emissions-related spreadsheets, and emissions-related data, such as records of emissions monitoring data and related support information required to be kept in accordance with §71.6(a)(3)(ii).]
[40 CFR 71.9(i)]
9. Failure of the permittee to pay fees in a timely manner shall subject the permittee to assessment of penalties and interest in accordance with §71.9(l).
[40 CFR 71.9(l)]
10. When notified by EPA of underpayment of fees, the permittee shall remit full payment within 30 days of receipt of notification.
[40 CFR 71.9(j)(2)]
11. A permittee who thinks an EPA assessed fee is in error and who wishes to challenge such fee, shall provide a written explanation of the alleged error to EPA along with full payment of the EPA assessed fee.
[40 CFR 71.9(j)(3)]

III.B. Annual Emissions Inventory [40 CFR 71.9(h)(1)and (2)]

The permittee shall submit an annual emissions report of its actual emissions for both criteria pollutants and regulated HAPS for this facility for the preceding calendar year for fee assessment purposes. The annual emissions report shall be certified by a responsible official and shall be submitted each year to EPA by April 1st.

The annual emissions report shall be submitted to EPA at the address listed in section **III.E.** of this permit.

[Explanatory Note: An annual emissions report, required at the same time as the fee calculation worksheet by §71.9(h), has been incorporated into the fee calculation worksheet form as a convenience.]

III.C. Compliance Requirements

1. Compliance with the Permit
 - (a) The permittee must comply with all conditions of this part 71 permit. Any permit noncompliance constitutes a violation of the Clean Air Act and is grounds for enforcement action; for permit termination, revocation and reissuance, or modification; or for denial of a permit renewal application.
[40 CFR 71.6(a)(6)(i)]

- (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.

[40 CFR 71.6(a)(6)(ii)]

- (c) For the purpose of submitting compliance certifications in accordance with section **III.C.3** 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 Schedule

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

[40 CFR 71.5(c)(8)(iii)(A)]

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

[40 CFR 71.5(c)(8)(iii)(B)]

3. Compliance Certifications

The permittee shall submit to EPA a certification of compliance with permit terms and conditions, including emission limitations, standards, or work practices annually by April 1st, and shall cover the 12 month period ending on February 28th of the year the certification of compliance is due.

[Explanatory note: To help part 71 permittees meet reporting responsibilities, EPA has developed a reporting form for annual compliance certifications. The form may be found on EPA website at: <http://www.epa.gov/air/oaqps/permits/p71forms.html>]

The compliance certification shall be certified as to truth, accuracy, and completeness by a responsible official consistent with §71.5(d).

[40 CFR 71.6(c)(5)]

- (a) The certification shall include the following:
- (i) Identification of each permit term or condition that is the basis of the certification;
 - (ii) The identification of the method(s) or other means used for determining the compliance status of each term and condition during the certification

period, and whether such methods or other means provide continuous or intermittent data. Such methods and other means shall include, at a minimum, the methods and means required in this permit. If necessary, the permittee also shall identify any other material information that must be included in the certification to comply with section 113(c)(2) of the Clean Air Act, which prohibits knowingly making a false certification or omitting material information;

- (iii) The status of compliance with each term and condition of the permit for the period covered by the certification based on the method or means designated in (ii) above. The certification shall identify each deviation and take it into account in the compliance certification;
- (iv) Such other facts as the EPA may require to determine the compliance status of the source; and
- (v) Whether compliance with each permit term was continuous or intermittent.

[40 CFR 71.6(c)(5)(iii)]

III.D. Duty to Provide and Supplement Information

[40 CFR 71.6(a)(6)(v), 71.5(a)(3), and 71.5(b)]

1. The permittee shall furnish to EPA, within a reasonable time, any information that EPA 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 EPA copies of records that are required to be kept pursuant to the terms of 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 40 CFR part 2, subpart B.

[40 CFR 71.6(a)(6)(v) and 40 CFR 71.5(a)(3)]

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

[40 CFR 71.5(b)]

III.E. Submissions [40 CFR 71.5(d), 71.6(c)(1) and 71.9(h)(2)]

1. Any document (application form, report, compliance certification, etc.) required to be submitted under this permit shall be certified by a responsible official as to truth, accuracy, and completeness. Such certifications 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: EPA has developed a reporting form “CTAC” for certifying truth, accuracy and completeness of part 71 submissions. The form may be found on EPA website at: <http://www.epa.gov/air/oaqps/permits/p71forms.html>]

2. 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 to:

Part 71 Permit Contact
Air and Radiation Program, 8P-AR
U.S. Environmental Protection Agency,
1595 Wynkoop Street
Denver, Colorado 80202

III.F. Severability Clause [40 CFR 71.6(a)(5)]

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

III.G. Permit Actions [40 CFR 71.6(a)(6)(iii)]

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

III.H. Administrative Permit Amendments [40 CFR 71.7(d)]

1. The permittee may request the use of administrative permit amendment procedures for a permit revision that:
 - (a) Corrects typographical errors;
 - (b) Identifies a change in the name, address, or phone number of any person identified in the permit, or provides a similar minor administrative change at the source;
 - (c) Requires more frequent monitoring or reporting by the permittee;

- (d) Allows for a change in ownership or operational control of a source where the EPA determines that no other change in the permit is necessary, provided that a written agreement containing a specific date for transfer of permit responsibility, coverage, and liability between the current and new permittee has been submitted to the EPA;
- (e) Incorporates into the part 71 permit the requirements from preconstruction review permits authorized under an EPA-approved program, provided that such a program meets procedural requirements substantially equivalent to the requirements of §71.7 and 71.8 that would be applicable to the change if it were subject to review as a permit modification, and compliance requirements substantially equivalent to those contained in §71.6; or
- (f) Incorporates any other type of change which EPA has determined to be similar to those listed above in subparagraphs (a) through (e) above.

[Note to permittee: If subparagraphs (a) through (e) above do not apply, please contact EPA for a determination of similarity prior to submitting your request for an administrative permit amendment under this provision.]

III.I. Minor Permit Modifications [40 CFR 71.7(e)(1)]

1. The permittee may request the use of minor permit modification procedures only for those modifications that:
 - (a) Do not violate any applicable requirement;
 - (b) Do not involve significant changes to existing monitoring, reporting, or recordkeeping requirements in the permit;
 - (c) Do not require or change a case-by-case determination of an emission limitation or other standard, or a source-specific determination for temporary sources of ambient impacts, or a visibility or increment analysis;
 - (d) Do not seek to establish or change a permit term or condition for which there is no corresponding underlying applicable requirement and that the source has assumed to avoid an applicable requirement to which the source would otherwise be subject. Such terms and conditions include:
 - (i) A federally enforceable emissions cap assumed to avoid classification as a modification under any provision of title I; and
 - (ii) An alternative emissions limit approved pursuant to regulations promulgated under section 112(i)(5) of the Clean Air Act;
 - (e) Are not modifications under any provision of title I of the Clean Air Act; and

- (f) Are not required to be processed as a significant modification.

[40 CFR 71.7(e)(1)(i)(A)]

2. Notwithstanding the list of changes ineligible for minor permit modification procedures in paragraph 1 above, minor permit modification procedures may be used for permit modifications involving the use of economic incentives, marketable permits, emissions trading, and other similar approaches, to the extent that such minor permit modification procedures are explicitly provided for in an applicable implementation plan or in applicable requirements promulgated by EPA.

[40 CFR 71.7(e)(1)(i)(B)]

3. An application requesting the use of minor permit modification procedures shall meet the requirements of §71.5(c) 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) The source's suggested draft permit;
 - (c) Certification by a responsible official, consistent with §71.5(d), that the proposed modification meets the criteria for use of minor permit modification procedures and a request that such procedures be used; and
 - (d) Completed forms for the permitting authority to use to notify affected States as required under §71.8.

[40 CFR 71.7(e)(1)(ii)]

4. The source may make the change proposed in its minor permit modification application immediately after it files such application. After the source makes the change allowed by the preceding sentence, and until the permitting authority takes any of the actions authorized by §71.7(e)(1)(iv)(A) through (C), the source must comply with both the applicable requirements governing the change and the proposed permit terms and conditions. During this time period, the source need not comply with the existing permit terms and conditions it seeks to modify. However, if the source fails to comply with its proposed permit terms and conditions during this time period, the existing permit terms and conditions it seeks to modify may be enforced against it.

[40 CFR 71.7(e)(1)(v)]

5. The permit shield under §71.6(f) may not extend to minor permit modifications.

[40 CFR 71.7(e)(1)(vi)]

III.J. Group Processing of Minor Permit Modifications. [40 CFR 71.7(e)(2)]

1. Group processing of modifications by EPA may be used only for those permit modifications:
 - (a) That meet the criteria for minor permit modification procedures under section **III.I.** of this permit; and
 - (b) That collectively are below the threshold level of 10 percent of the emissions allowed by the permit for the emissions unit for which the change is requested, 20 percent of the applicable definition of major source in §71.2, or 5 tons per year, whichever is least.

[40 CFR 71.7(e)(2)(i)]
2. An application requesting the use of group processing procedures shall be submitted to EPA, shall meet the requirements of §71.5(c), 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) The source's suggested draft permit;
 - (c) Certification by a responsible official, consistent with §71.5(d), that the proposed modification meets the criteria for use of group processing procedures and a request that such procedures be used;
 - (d) A list of the source's other pending applications awaiting group processing, and a determination of whether the requested modification, aggregated with these other applications, equals or exceeds the threshold set under subparagraph (a)(ii) above; and
 - (e) Completed forms for the permitting authority to use to notify affected States as required under §71.8.

[40 CFR 71.7(e)(2)(ii)]
3. The source may make the change proposed in its minor permit modification application immediately after it files such application. After the source makes the change allowed by the preceding sentence, and until the permitting authority takes any of the actions authorized by §71.7(e)(1)(iv)(A) through (C), the source must comply with both the applicable requirements governing the change and the proposed permit terms and conditions. During this time period, the source need not comply with the existing permit terms and conditions it seeks to modify. However, if the source fails to comply with its proposed permit terms and conditions during this time period, the existing permit terms and conditions it seeks to modify may be enforced against it.

[40 CFR 71.7(e)(2)(v)]

4. The permit shield under §71.6(f) does not extend to group processing of minor permit modifications.

[40 CFR 71.7(e)(1)(vi)]

III.K. Significant Permit Modifications [40 CFR 71.7(e)(3)]

1. The permittee must request the use of significant permit modification procedures for those modifications that:
 - (a) Do not qualify as minor permit modifications or as administrative amendments;
 - (b) Are significant changes in existing monitoring permit terms or conditions; or
 - (c) Are relaxations of reporting or recordkeeping permit terms or conditions.

[40 CFR 71.7(e)(3)(i)]

2. Nothing herein shall be construed to preclude the permittee from making changes consistent with part 71 that would render existing permit compliance terms and conditions irrelevant.

[40 CFR 71.7(e)(3)(i)]

3. Permittees must meet all requirements of part 71 for applications, public participation, and review by affected states and tribes for significant permit modifications. For the application to be determined complete, the permittee must supply all information that is required by §71.5(c) for permit issuance and renewal, but only that information that is related to the proposed change.

[40 CFR 71.7(e)(3)(ii), 71.8(d), and 71.5(a)(2)]

III.L. Reopening for Cause [40 CFR 71.7(f)]

1. The permit may be reopened and revised prior to expiration under any of the following circumstances:
 - (a) Additional applicable requirements under the Act become applicable to a major part 71 source with a remaining permit term of 3 or more years. Such a reopening shall be completed not later than 18 months after promulgation of the applicable requirement. No such reopening is required if the effective date of the requirement is later than the date on which the permit is due to expire, unless the original permit or any of its terms and conditions have been extended pursuant to §71.7 (c)(3);
 - (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) EPA determines that the permit contains a material mistake or that inaccurate statements were made in establishing the emissions standards or other terms or conditions of the permit; or
- (d) EPA determines that the permit must be revised or revoked to assure compliance with the applicable requirements.

III.M. Property Rights [40 CFR 71.6(a)(6)(iv)]

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

III.N. Inspection and Entry [40 CFR 71.6(c)(2)]

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

1. Enter upon the permittee's premises where a part 71 source is located or emissions-related activity is conducted, or where records must be kept under the conditions of the permit;
2. Have access to and copy, at reasonable times, any records that must be kept under the conditions of the permit;
3. Inspect at reasonable times any facilities, equipment (including monitoring and air pollution control equipment), practices, or operations regulated or required under the permit; and
4. As authorized by the Clean Air Act, sample or monitor at reasonable times substances or parameters for the purpose of assuring compliance with the permit or applicable requirements.

III.O. Emergency Provisions [40 CFR 71.6(g)]

1. In addition to any emergency or upset provision contained in any applicable requirement, the permittee may seek to establish that noncompliance with a technology-based emission limitation under this permit was due to an emergency. 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 submitted notice of the emergency to EPA within 2 working days of the time when emission limitations were exceeded due to the emergency. This notice must contain a description of the emergency, any steps taken to mitigate emissions, and corrective actions taken. This notice fulfills the requirements for prompt notification of deviations.
- 2. In any enforcement proceeding the permittee attempting to establish the occurrence of an emergency has the burden of proof.
- 3. An “emergency” means any situation arising from sudden and reasonably unforeseeable events beyond the control of the source, including acts of God, which situation requires immediate corrective action to restore normal operation, and that causes the source to exceed a technology-based emission limitation under the permit due to unavoidable increases in emissions attributable to the emergency. An emergency shall not include noncompliance to the extent caused by improperly designed equipment, lack of preventive maintenance, careless or improper operation, or operator error.

III.P. Transfer of Ownership or Operation [40 CFR 71.7(d)(1)(iv)]

A change in ownership or operational control of this facility may be treated as an administrative permit amendment if the EPA determines no other change in this permit is necessary and provided that a written agreement containing a specific date for transfer of permit responsibility, coverage, and liability between the current and new permittee has been submitted to EPA.

III.Q. Off Permit Changes [40 CFR 71.6(a)(12) and 40 CFR 71.6(a)(3)(ii)]

The permittee is allowed to make certain changes without a permit revision, provided that the following requirements are met:

- 1. Each change is not addressed or prohibited by this permit;
- 2. Each change shall meet with all applicable requirements and shall not violate any existing permit term or condition;
- 3. Changes under this provision may not include changes subject to any requirement of 40 CFR parts 72 through 78 or modifications under any provision of title I of the Clean Air Act;
- 4. The permittee must provide contemporaneous written notice to EPA of each change, except for changes that qualify as insignificant activities under §71.5(c)(11). The written notice must describe each change, the date of the change, any change in emissions, pollutants emitted, and any applicable requirements that would apply as a result of the change;
- 5. The permit shield does not apply to changes made under this provision; and

6. The permittee must keep a record describing all changes that result in emissions of any regulated air pollutant subject to any applicable requirement not otherwise regulated under this permit, and the emissions resulting from those changes.
7. For replacement of an existing permitted compressor engine with a new or overhauled engine of the same make, model, horsepower rating, and configured to operate in the same manner as the engine being replaced, in addition to satisfying all other provisions for Off-Permit Changes, the permittee satisfies the following provisions:
 - (a) The replacement engine employs air emissions control devices, monitoring, record keeping and reporting that are equivalent to those employed by the engine being replaced;
 - (b) The replacement of the existing engine does not constitute a major modification or major new source as defined in Federal PSD regulations (40 CFR 52.21);
 - (c) No new applicable requirements, as defined in 40 CFR 71.2, are triggered by the replacement; and
 - (d) The following information is provided in a written notice to EPA, prior to installation of the replacement engine, in addition to the standard information listed above for contemporaneous written notices for off-permit changes:
 - (i) Make, model number, serial number, horsepower rating and configuration of the existing engine and the replacement engine, and
 - (ii) 40 CFR part 63, subpart ZZZZ (RICE MACT) non-applicability documentation, as follows:

[Explanatory note: RICE means reciprocating internal combustion engine.]

- A. If the permitted facility is a major source of hazardous air pollutant (HAP) emissions, as defined by 40 CFR 63.6585(b), and a permitted stationary RICE is replaced, a demonstration of RICE MACT non-applicability.
- B. If the permitted facility is a major source of hazardous air pollutant (HAP) emissions, as defined by 40 CFR 63.6585(b), and an existing stationary RICE is rebuilt:
 - (1) A demonstration, including all calculations, that the fixed capital cost of the new components does not exceed 50 percent of the fixed capital cost that would be required to construct a comparable new source; or
 - (2) A demonstration that it is technologically and economically infeasible for the reconstructed source to meet the relevant

standards established by the administrator pursuant to section 112 of the CAA.

- C. If the permitted facility is not a major source of HAP emissions as defined by 40 CFR 63.6585(b), documentation with calculations to show that the PTE of the facility, for HAP pollutants regulated under the Act, is below the level defined as a major HAP source in 40 CFR 63.6585(b).
- (iii) Documentation to demonstrate that the replacement does not constitute a major new source or major modification, as defined in Federal PSD rules (40 CFR 52.21), as follows:
- A. If the replacement will not constitute a "physical change or change in the method of operation" as described in §52.21(b)(2)(i), an explanation of how that conclusion was reached shall be provided.
 - B. If the replacement will constitute a "physical change or change in the method of operation" as described §52.21(b)(2)(i), the following information shall be provided:
 - (1) If the existing source is a "major stationary source" as defined in §52.21(b)(1): For each "regulated NSR pollutant" as defined in §52.21(b)(50), a demonstration (including all calculations) that the replacement will not be a "major modification" as defined in §52.21(b)(2). A modification is major only if it causes a "significant emissions increase" as defined in §52.21(b)(40), and also causes a "significant net emissions increase" as defined in §§52.21(b)(3) and (b)(23).

The procedures of §52.21(a)(2)(iv) shall be used to calculate whether or not there will be a significant emissions increase. If there will be a significant emissions increase, then calculations shall be provided to demonstrate there will not be a significant net emissions increase. These latter calculations shall include all sourcewide contemporaneous and creditable emission increases and decreases, as defined in §52.21(b)(3), summed with the PTE of the replacement unit(s).

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

PTE of replacement unit(s) shall be determined based on the definition of PTE in §52.21(b)(4). For each "regulated NSR pollutant" for which the PTE is not "significant," calculations used to reach that conclusion shall be provided.

- (2) If the existing source is not a "major stationary source" as defined in §52.21(b)(1): For each "regulated NSR pollutant," a demonstration (including all calculations) that the replacement engine(s) or turbine(s), by itself, will not constitute a "major stationary source" as defined in §52.21(b)(1)(i).

8. The notice shall be kept on site and made available to EPA on request, in accordance with the general recordkeeping provision of this permit.
9. Submittal of the written notice required above shall not constitute a waiver, exemption, or shield from applicability of any applicable standard or PSD permitting requirements under 40 CFR 52.21 that would be triggered by the replacement of any one engine, or by replacement of multiple engines.

III.R. Permit Expiration and Renewal [40 CFR 71.5(a)(1)(iii), 71.5(a)(2), 71.5(c)(5), 71.6(a)(11), 71.7(b), 71.7(c)(1), and 71.7(c)(3)]

1. This permit shall expire upon the earlier occurrence of the following events:
 - (a) Five (5) years elapse from the date of issuance; or
 - (b) The source is issued a part 70 or part 71 permit under an EPA approved or delegated permit program.

[40 CFR 71.6(a)(11)]
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.

[40 CFR 71.5(a)(1)(iii)]
3. If the permittee submits a timely and complete permit application for renewal, consistent with §71.5(a)(2), but EPA has failed to issue or deny the renewal permit, then all the terms and conditions of the permit, including any permit shield granted pursuant to §71.6(f) shall remain in effect until the renewal permit has been issued or denied.

[40 CFR 71.7(c)(3)]

4. The permittee's failure to have a part 71 permit is not a violation of this part until EPA takes final action on the permit renewal application. This protection shall cease to apply if, subsequent to the completeness determination, the permittee fails to submit any additional information identified as being needed to process the application by the deadline specified in writing by EPA.

[40 CFR 71.7(b)]

5. Renewal of this permit is subject to the same procedural requirements that apply to initial permit issuance, including those for public participation, affected State, and tribal review.

[40 CFR 71.7(c)(1)]

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.

[40 CFR 71.5(a)(2) and 71.5(c)(5)]

IV. Appendix

IV.A. Inspection Information

1. Driving Directions to Plant from Ignacio:

- Drive south on Highway 172 to County Road 318;
- Go west on County Road 318 for approximately 4.2 miles;
- Turn right (north) onto a dirt road and go through the security gate. The road will bend from north to west;
- The facility is approximately a half mile from County Road 318.
-

Note: A Southern Ute Indian Tribe (SUIT) crossing permit is required where applicable.

2. Global Positioning System (GPS)

Latitude: 37.10041° N

Longitude: - 107.72187° W

3. Safety Considerations:

Persons entering the site are required to wear a hard hat, safety glasses, safety toe footwear, hearing protection, and fire retardant clothing.