

EXHIBIT B

EXISTING FACILITY PERMIT DOCUMENTATION



THE STATE OF WYOMING



JIM GERINGER
GOVERNOR

Department of Environmental Quality

Herschler Building • 122 West 25th Street • Cheyenne, Wyoming 82002

ADMINISTRATION (307) 777-7758 FAX 777-7682	ABANDONED MINES (307) 777-8145 FAX 634-0799	AIR QUALITY (307) 777-7391 FAX 777-5616	INDUSTRIAL SITING (307) 777-7368 FAX 777-6937	LAND QUALITY (307) 777-7756 FAX 634-0799	SOLID & HAZARDOUS WASTE (307) 777-7752 FAX 777-5973	WATER QUALITY (307) 777-7781 FAX 777-5973
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STATE OF WYOMING
Department of Environmental Quality - Air Quality Division
Oil and Gas Production Section 21(k)(viii) Waiver
April 20, 1999
AP-S09

Company Name: Mercury Exploration Company

Mailing Address: Box 1970, Casper, WY 82602

Company Official: Mr. Joseph M. Farley Title: District Engineer

Facility Name: Dallas Dome Field County: Fremont

Legal Description: $\frac{1}{4}$ NW/SW Section: 13 T(N): 32 R(W): 99


Estimated Emissions (tpy) NOx: 0.6 CO: 0.1 SO₂: 0.0
VOCs: 27.6 HAPs: 2.0

Emissions are from one (1) waste oil treater, one (1)-5,000 bbl crude oil gun barrel tank, one (1)-3,000 bbl crude oil gun barrel tank, two (2)-1,000 bbl and two (2)-500 bbl crude oil storage tanks, and four smaller storage tanks: one (1)-400 bbl, one (1)-300 bbl, one (1)-286 bbl and one (1)-200 bbl. The facility listed in this waiver meets the requirements of Section 21(c)(v), Best Available Control Technology, and the emissions are considered insignificant in terms of ambient impact and rate per Section 21(k)(viii) of the Wyoming Air Quality Standards and Regulations.

Condition of operation per Section 35-11-110 of the Wyoming Environmental Quality Act:

1. That written notification be submitted to the Division if any of the conditions or sources within the application are modified which would result in significant changes to the stated facility emissions.

The Division is issuing this waiver based on the information submitted in the application. Any deviation in the operation of this facility from that represented in your application which could result in significant pollutant emissions and impact will be a violation of the Wyoming Environmental Quality Act and the Wyoming Air Quality Standard & Regulations. Violations could result in enforcement actions and penalties under the law.


Dan Olson
Administrator
Air Quality Division

cc: Dan Fauth, District Engineer
Brian Bohlmann, Air Quality Engineer

Table 1: Tank, Separator, Fugitive and Truck Loadout Emissions

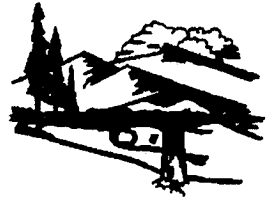
Component	Tanks		Separators		Fugitives		Loadout	
	lb/hr	TPY	lb/hr	TPY	lb/hr	TPY	lb/hr	TPY
Benzene	negl	negl	negl	negl	negl	negl	negl	negl
Toluene	negl	negl	negl	negl	negl	negl	negl	negl
Ethylbenzene	negl	negl	negl	negl	negl	negl	negl	negl
Xylenes	negl	negl	negl	negl	negl	negl	negl	negl
n-Hexane	negl	negl	negl	negl	negl	negl	negl	negl
Total HAPs	0.46	2.0	0.00	0.0	0.00	0.0	0.00	0.0
Total VOCs	5.63	24.7	0.00	0.0	0.02	0.1	0.64	2.8

Table 2: Dallas Dome Field---Total Facility Emissions

	NOx		CO		SO2		PM		VOCs		HAPs	
	lb/hr	TPY	lb/hr	TPY	lb/hr	TPY	lb/hr	TPY	lb/hr	TPY	lb/hr	TPY
Tanks	0.00	0.0	0.00	0.0	0.00	0.0	0.00	0.0	5.63	24.7	0.46	2.0
Separator	0.14	0.6	0.02	0.1	0.00	0.0	0.01	0.0	0.00	0.0	0.00	0.0
Fugitives	0.00	0.0	0.00	0.0	0.00	0.0	0.00	0.0	0.02	0.1	0.00	0.0
Loadout	0.00	0.0	0.00	0.0	0.00	0.0	0.00	0.0	0.64	2.8	0.00	0.0
Total	0.14	0.6	0.02	0.1	0.00	0.0	0.01	0.0	6.29	27.6	0.47	2.0



Department of Environmental Quality



To protect, conserve and enhance the quality of Wyoming's environment for the benefit of current and future generations.

Dave Freudenthal, Governor

John Corra, Director

STATE OF WYOMING
Department of Environmental Quality - Air Quality Division
Oil and Gas Production Chapter 6, Section 2(k)(viii) Waiver
May 20, 2010
wv-9347

Company Name: Citation Oil & Gas Corporation

Mailing Address: 14077 Cutten Road Houston, TX 77069

Company Official: Lee Ann Elsom Title: Regulatory Compliance Manager

Facility Name: Dallas Dome Tank Battery County: Fremont

Legal Description: ¼ Section: NW SW Section: 13 T: 32N R: 99W

Lat/Long: Latitude: 42.7438° Longitude: 108.6169°

- Facility Equipment:
- two (2) three-phase electric heater treaters
 - two (2) 1,000-barrel (bbl) crude oil tanks
 - two (2) 500-bbl crude oil tanks
 - one (1) 400-bbl slop oil tank
 - one (1) 250-bbl slop oil tank
 - one (1) 210-bbl slop oil tank
 - one (1) 1,000-bbl slop tank
 - one (1) 5,000-bbl gunbarrel tank
 - one (1) 3,000-bbl gunbarrel tank
 - one (1) 400-bbl frac tank
 - two (2) hay tanks

First Date of Production: 1/1/1983

Presumptive BACT: no tank emissions controls required

Estimated Emissions (TPY): NO_x: -- CO: --
VOC: 2.5 HAP: 0.2

Reviewer: Mark Smith, Air Quality Engineer

This waiver is for the Citation Oil & Gas Corporation Dallas Dome Tank Battery crude oil production facility. This facility was previously permitted under Air Quality Waiver wv-S09 issued April 20, 1999. This application was filed to update equipment and emissions at the Dallas Dome Tank Battery. There are no controlled emission sources under the control of Citation Oil & Gas Corporation at this facility.

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ADMIN/OUTREACH (307) 777-7937 FAX 777-3610	ABANDONED MINES (307) 777-6145 FAX 777-6462	AIR QUALITY (307) 777-7391 FAX 777-5616	INDUSTRIAL SITING (307) 777-7369 FAX 777-5973	LAND QUALITY (307) 777-7756 FAX 777-5864	SOLID & HAZ. WASTE (307) 777-7752 FAX 777-5973	WATER QUALITY (307) 777-7781 FAX 777-5973
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Chapter 6, Section 2(k)(viii) Waiver
Citation Oil & Gas Corporation
wv-9347
Page 2

The crude oil production facility listed in this waiver meets the requirements of Chapter 6, Section 2(c)(v), Best Available Control Technology, and emissions are considered insignificant in terms of ambient impact and rate per Chapter 6, Section 2(k)(viii) of the Wyoming Air Quality Standards and Regulations.

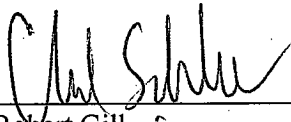
Conditions of operation per Section 35-11-110 of the Wyoming Environmental Quality Act:

1. The Division shall be notified prior to any modification of this facility or the operating conditions which may cause an increase in the emission levels stated in this waiver.
2. Effective upon waiver issuance, this waiver shall supersede Air Quality Waiver wv-S09 for the Dallas Dome Tank Battery.

The Division is issuing this waiver based on the information submitted in the application. Any deviation in the operation of this facility from that represented in your application which could result in significant pollutant emissions and impact will be a violation of the Wyoming Environmental Quality Act and the Wyoming Air Quality Standard & Regulations. Violations could result in enforcement actions and penalties under the law.

If you have any questions, you may contact this office at (307) 777-7391.

Sincerely,



Robert Gill
Acting Administrator
Air Quality Division

cc: Greg Meeker



JIM GERINGER
GOVERNOR

Department of Environmental Quality

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ADMINISTRATION (307) 777-7758 FAX 777-7682	ABANDONED MINES (307) 777-6145 FAX 634-0799	AIR QUALITY (307) 777-7391 FAX 777-5616	INDUSTRIAL SITING (307) 777-7368 FAX 777-6937	LAND QUALITY (307) 777-7756 FAX 634-0799	SOLID & HAZARDOUS WASTE (307) 777-7752 FAX 777-5973	WATER QUALITY (307) 777-7781 FAX 777-5973
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STATE OF WYOMING

Department of Environmental Quality - Air Quality Division

Oil and Gas Production Section 21(k)(viii) Waiver

December 8, 1998

AP-289

Company Name: Citation Oil & Gas Corporation

Mailing Address: 8223 Willow Place South, Suite 250, Houston, Texas 77070-5623

Company Official: Ms. Lee Ann Elsom Title: Environmental Coordinator

Facility Name: Embar No. 1 Tank Battery County: Park

Legal Description: $\frac{1}{4}$: NE Section: 12 T(N): 47 R(W): 100

Estimated Emissions (tpy)

NOx:	<u>1.0</u>	CO:	<u>0.0</u>	SO ₂ :	<u>0.0</u>
VOCs:	<u>30.0</u>	HAPs:	<u>4.0</u>	H ₂ S:	<u>3.0</u>

Emissions from this tank battery are from two (2) 1000 bbl and two (2) 500 BBL oil storage tanks, one (1) 400 bbl vent tank which vents produced gas not used as fuel at the facility, and five (5) heater treaters. The facility listed in this waiver meets the requirements of Section 21(c)(v), Best Available Control Technology, and the emissions are considered insignificant in terms of ambient impact and rate per Section 21(k)(viii) of the Wyoming Air Quality Standards and Regulations.

Condition of operation per Section 35-11-110 of the Wyoming Environmental Quality Act:

1. That written notification be submitted to the Division if any of the conditions or sources within the application are modified which would result in significant changes to the stated facility emissions.

The Division is issuing this waiver based on the information submitted in the application. Any deviation in the operation of this facility from that represented in your application which could result in significant pollutant emissions and impact will be a violation of the Wyoming Environmental Quality Act and the Wyoming Air Quality Standard & Regulations. Violations could result in enforcement actions and penalties under the law.

Dan Olson
Administrator
Air Quality Division

cc: Dan Fauth, District Engineer
Brian Bohlmann, Air Quality Engineer

Table 1: Tank, Treaters and Fugitive Emissions

Component	Oil Tanks		Treaters		Vent Tank		Fugitives	
	lb/hr	TPY	lb/hr	TPY	lb/hr	TPY	lb/hr	TPY
Benzene	negl	negl	negl	negl	negl	negl	negl	negl
Toluene	negl	negl	negl	negl	negl	negl	negl	negl
Ethyl Benzene	negl	negl	negl	negl	negl	negl	negl	negl
Xylenes	negl	negl	negl	negl	negl	negl	negl	negl
Normal Hexane	negl	negl	negl	negl	negl	negl	negl	negl
Total HAPs	0.00	0.0	0.01	0.1	0.75	3.3	0.23	1.0
Total VOCs	0.94	4.1	0.01	0.1	5.59	24.5	0.30	1.3

Table 2: Total Uncontrolled Facility Emissions

	NOx		CO		SO2		H2S		VOCs		HAPs	
	lb/hr	TPY	lb/hr	TPY	lb/hr	TPY	lb/hr	TPY	lb/hr	TPY	lb/hr	TPY
Oil Tanks	0.0	0	0.0	0	0.0	0	0.3	1	0.9	4	0.0	0
Treaters	0.1	1	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0
Vent Tank	0.0	0	0.0	0	0.0	0	0.4	2	5.6	25	0.8	3
Fugitives	0.0	0	0.0	0	0.0	0	0.0	0	0.3	1	0.2	1
Total	0.1	1	0.0	0	0.0	0	0.8	3	6.8	30	1.0	4



THE STATE OF WYOMING



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Department of Environmental Quality

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February 26, 1999

Ms. Lee Ann Elsom
Environmental Coordinator
Citation Oil & Gas Corporation
8223 Willow Place South, Suite 250
Houston, TX 77070-56232

Permit No. CT-1485

Dear Ms. Elsom:

The Division of Air Quality of the Wyoming Department of Environmental Quality has completed final review of Citation Oil & Gas Corporation application to construct a tank battery, known as the Embar #3 Tank Battery, with a flare to control VOC emissions located in the SW ¼ of Section 1, T47N, R100W approximately seven (7) miles southeast of Meeteetse, in Park County, Wyoming.

Following this agency's proposed approval of the request as published January 20, 1999 and in accordance with Section 21(m) of the Wyoming Air Quality Standards and Regulations, the public was afforded a 30-day period in which to submit comments concerning the proposed new source, and an opportunity for a public hearing. No comments have been received. Therefore, on the basis of the information provided to us, approval to construct a tank battery as described in the application is hereby granted pursuant to Section 21 of the regulations with the following conditions:

1. That authorized representatives of the Division of Air Quality be given permission to enter and inspect any property, premise or place on or at which an air pollution source is located or is being constructed or installed for the purpose of investigating actual or potential sources of air pollution, and for determining compliance or non-compliance with any rules, regulations, standards, permits or orders.
2. That all substantive commitments and descriptions set forth in the application for this permit, unless superseded by a specific condition of this permit, are incorporated herein by this reference and are enforceable as conditions of this permit.
3. A permit to operate, in accordance with WAQSR Section 21 (a)(iii), is required after a 120-day start-up period, in order to operate this facility.
4. VOC emissions from the vent tank shall be controlled by a flare, at least until such time that the amount of uncontrolled VOC emissions from the tanks are below 15 tons per year or deemed insignificant by the Division. Approval from the Division shall be required prior to removing a control device.

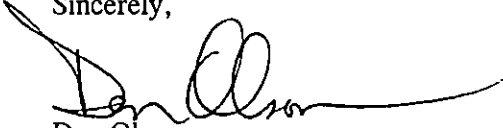
5. Citation Oil & Gas Corporation shall maintain and operate the flare during all periods of active facility operation such that the flare remains effective as a viable emissions control device. The flare shall be equipped and operated with an automatic ignitor or a continuous burning pilot which must be maintained in good working order. The flare shall be operated and maintained to meet a 20 percent opacity limit as determined by 40 CFR, Part 60 Appendix A, Method 9.

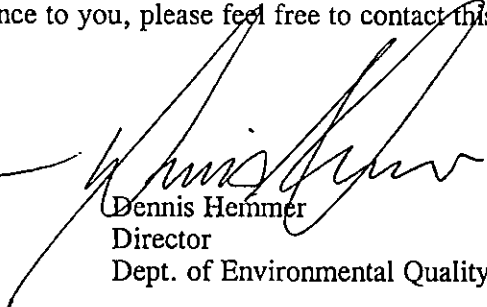
6. Records shall be maintained, noting periods when the flare is not operational. Reporting of events when the flare is not operational shall be required when VOC emissions exceed five (5) tons for a single event (verbal notification is required within 24 hours and shall be followed up in writing) and/or when emissions exceed ten (10) tons per year from the combined events (report shall be filed by March 1 of the following year). Records shall be maintained for a period of at least 5 years and shall be made available to the Division upon request.

It must be noted that this approval does not relieve you of your obligation to comply with all applicable county, state, and federal standards, regulations or ordinances. Special attention must be given to Section 21 of the Wyoming Air Quality Standards and Regulations, which details the requirements for compliance with condition 3. Any appeal of this permit as a final action of the Department must be made to the Environmental Quality Council within sixty (60) days of permit issuance per Section 16, Chapter I, General Rules of Practice and Procedure, Department of Environmental Quality.

If we may be of further assistance to you, please feel free to contact this office.

Sincerely,


Dan Olson
Administrator
Air Quality Division


Dennis Hemmer
Director
Dept. of Environmental Quality

cc: Dan Fauth
Brian Bohlmann

DO/cs

Emissions Summary for the Embar No. 3 Tank Battery							
Source		NO _x (TPY)	CO (TPY)	SO ₂ (TPY)	H ₂ S (TPY)	VOC (TPY)	HAP (TPY)
Oil Storage Tanks	Uncontrolled (includes standing, working and breathing losses)				1.6	11.1	negl
Heater Treaters Natural Gas Burner		1.5	negl	negl	0.0	negl	negl
Vent Tank	Controlled (98% efficient flare)	0.2	1.0	13.1	0.0	1.4	0.2
Fugitives					0.1	1.5	0.3
TOTAL		1.7	1.0	13.1	1.7	14.0	0.5

Note: A negligible amount of particulate matter emissions result from natural gas combustion.



THE STATE OF WYOMING



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STATE OF WYOMING
Department of Environmental Quality - Air Quality Division
Oil and Gas Production Section 21(k)(viii) Waiver
 December 7, 1998
 AP-239

Company Name: Citation Oil & Gas Corporation

Mailing Address: 8223 Willow Place South, Suite 250, Houston, Texas 77070-5623

Company Official: Ms. Lee Ann Elsom Title: Environmental Coordinator

Facility Name: NWD No. 1 Tank Battery County: Park

Legal Description: ¼: SW Section: 34 T(N): 48 R(W): 100

Estimated Emissions (tpy)

NOx:	<u>1.0</u>	CO:	<u>0.0</u>	SO ₂ :	<u>0.0</u>
VOCs:	<u>20.0</u>	HAPs:	<u>2.0</u>	H ₂ S:	<u>2.0</u>

Emissions from this tank battery are from four (4) 400 bbl oil storage tanks, one (1) 400 bbl vent tank which vents produced gas not used as fuel at the facility, and five (5) heater treaters. The facility listed in this waiver meets the requirements of Section 21(c)(v), Best Available Control Technology, and the emissions are considered insignificant in terms of ambient impact and rate per Section 21(k)(viii) of the Wyoming Air Quality Standards and Regulations.

Condition of operation per Section 35-11-110 of the Wyoming Environmental Quality Act:

1. That written notification be submitted to the Division if any of the conditions or sources within the application are modified which would result in significant changes to the stated facility emissions.

The Division is issuing this waiver based on the information submitted in the application. Any deviation in the operation of this facility from that represented in your application which could result in significant pollutant emissions and impact will be a violation of the Wyoming Environmental Quality Act and the Wyoming Air Quality Standard & Regulations. Violations could result in enforcement actions and penalties under the law.

Dan Olson
 Administrator
 Air Quality Division

cc: Dan Fauth, District Engineer
 Brian Bohlmann, Air Quality Engineer

Table 1: Tank, Treaters and Fugitive Emissions

Component	Oil Tanks		Treaters		Vent Tank		Fugitives	
	lb/hr	TPY	lb/hr	TPY	lb/hr	TPY	lb/hr	TPY
Benzene	negl	negl	negl	negl	negl	negl	negl	negl
Toluene	negl	negl	negl	negl	negl	negl	negl	negl
Ethyl Benzene	negl	negl	negl	negl	negl	negl	negl	negl
Xylenes	negl	negl	negl	negl	negl	negl	negl	negl
Normal Hexane	negl	negl	negl	negl	negl	negl	negl	negl
Total HAPs	0.00	0.0	0.01	0.1	0.29	1.3	0.15	0.7
Total VOCs	1.40	6.1	0.01	0.1	3.01	13.2	0.20	0.9

Table 2: Total Uncontrolled Facility Emissions

	NOx		CO		SO2		H2S		VOCs		HAPs	
	lb/hr	TPY	lb/hr	TPY	lb/hr	TPY	lb/hr	TPY	lb/hr	TPY	lb/hr	TPY
Oil Tanks	0.0	0	0.0	0	0.0	0	0.1	1	1.4	6	0.0	0
Treaters	0.1	1	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0
Vent Tank	0.0	0	0.0	0	0.0	0	0.2	1	3.0	13	0.3	1
Fugitives	0.0	0	0.0	0	0.0	0	0.0	0	0.2	1	0.2	1
Total	0.1	1	0.0	0	0.0	0	0.4	2	4.6	20	0.5	2



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STATE OF WYOMING
Department of Environmental Quality - Air Quality Division
Oil and Gas Production Section 21(k)(viii) Waiver
December 7, 1998
AP-229

Company Name: Citation Oil & Gas Corporation

Mailing Address: 8223 Willow Place South, Suite 250, Houston, Texas 77070-5623

Company Official: Ms. Lee Ann Elsom Title: Environmental Coordinator

Facility Name: NWD No. 2 Tank Battery County: Park

Legal Description: ¼: SE Section: 3 T(N): 47 R(W): 100

Estimated Emissions (tpy)

NOx: <u>1.0</u>	CO: <u>0.0</u>	SO ₂ : <u>0.0</u>
VOCs: <u>15.0</u>	HAPs: <u>2.0</u>	H ₂ S: <u>1.0</u>

Emissions from this tank battery are from three (3) 400 bbl oil storage tanks, one (1) 400 bbl vent tank which vents produced gas not used as fuel at the facility, and three (3) heater treaters. The facility listed in this waiver meets the requirements of Section 21(c)(v), Best Available Control Technology, and the emissions are considered insignificant in terms of ambient impact and rate per Section 21(k)(viii) of the Wyoming Air Quality Standards and Regulations.

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Dan Olson
Administrator
Air Quality Division

cc: Dan Fauth, District Engineer
Brian Bohlmann, Air Quality Engineer

Table 1: Tank, Treaters and Fugitive Emissions

Component	Oil Tanks		Treaters		Vent Tank		Fugitives	
	lb/hr	TPY	lb/hr	TPY	lb/hr	TPY	lb/hr	TPY
Benzene	negl	negl	negl	negl	negl	negl	negl	negl
Toluene	negl	negl	negl	negl	negl	negl	negl	negl
Ethyl Benzene	negl	negl	negl	negl	negl	negl	negl	negl
Xylenes	negl	negl	negl	negl	negl	negl	negl	negl
Normal Hexane	negl	negl	negl	negl	negl	negl	negl	negl
Total HAPs	0.00	0.0	0.01	0.0	0.32	1.4	0.22	1.0
Total VOCs	0.74	3.2	0.01	0.0	2.46	10.8	0.30	1.3

Table 2: Total Uncontrolled Facility Emissions

	NOx		CO		SO2		H2S		VOCs		HAPs	
	lb/hr	TPY	lb/hr	TPY	lb/hr	TPY	lb/hr	TPY	lb/hr	TPY	lb/hr	TPY
Oil Tanks	0.0	0	0.0	0	0.0	0	0.1	0	0.7	3	0.0	0
Treaters	0.1	1	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0
Vent Tank	0.0	0	0.0	0	0.0	0	0.1	0	2.5	11	0.3	1
Fugitives	0.0	0	0.0	0	0.0	0	0.0	0	0.3	1	0.2	1
Total	0.1	1	0.0	0	0.0	0	0.2	1	3.5	15	0.5	2



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JIM GERINGER
GOVERNOR

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STATE OF WYOMING

Department of Environmental Quality - Air Quality Division

Oil and Gas Production Section 21(k)(viii) Waiver

August 16, 1999

AP-WQ9

Company Name: Citation Oil & Gas Corporation

Mailing Address: 8223 Willow Place South, Suite 250, Houston, TX 77070-5623

Company Official: Lee Ann Elsom Title: Environmental Coordinator

Facility Name: Tensleep #1 Tank Battery County: Park

Legal Description: $\frac{1}{4}$: NE Section: 12 T(N): 47 R(W): 100

Estimated Emissions (tpy)

NOx:	<u>1.0</u>	CO:	<u>1.3</u>	SO ₂ :	<u>13.6</u>
VOCs:	<u>16.6</u>	HAPs:	<u>3.6</u>	H ₂ S:	<u>3.6</u>

The Tensleep #1 Tank Battery was waived from permitting under Section 21 in a letter dated December 8, 1998. Since that time the Embar #2 Tank Battery has been removed from service and all produced oil has been routed to the Tensleep #1 Tank Battery. Sour crude oil production at the Tensleep #1 Tank Battery has increased from 362 bpd to 426 bpd.

Emissions from this tank battery are from two (2)-1000 bbl and two (2)-300 bbl oil storage tanks, one (1) vent tank which vents produced gas not used as fuel at the facility to the flare for combustion, five (5) heater treaters, and one (1) flare. The facility listed in this waiver meets the requirements of Section 21(c)(v), Best Available Control Technology, and the emissions are considered insignificant in terms of ambient impact and rate per Section 21(k)(viii) of the Wyoming Air Quality Standards and Regulations.

Citation Oil & Gas Corporation shall maintain and operate the flare during all periods of active facility operation such that the flare remains effective as a viable emissions control device. The flare shall be equipped and operated with an automatic ignitor or a continuous burning pilot which must be maintained in good working order. The flare shall be operated and maintained to meet a 20 percent opacity limit as determined by 40 CFR, Part 60, Appendix A, Method 9.

Records shall be maintained, noting periods when the flare is not operational. Reporting of events when the flare is not operational shall be required when VOC emissions exceed five tons for a single event (verbal notification is required within 24 hours and shall be followed up in writing). A report shall be filed by March 1 of the following year. Records shall be maintained for a period of at least 5 years and shall be made available to the Division upon request.

Oil and Gas Production Waiver
Citation Oil & Gas Corporation
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Condition of operation per Section 35-11-110 of the Wyoming Environmental Quality Act:

1. That written notification be submitted to the Division if any of the conditions or sources within the application are modified which would result in significant changes to the stated facility emissions.

The Division is issuing this waiver based on the information submitted in the application. Any deviation in the operation of this facility from that represented in your application which could result in significant pollutant emissions and impact will be a violation of the Wyoming Environmental Quality Act and the Wyoming Air Quality Standard & Regulations. Violations could result in enforcement actions and penalties under the law.



Dan Olson
Administrator
Air Quality Division

cc: Dan Fauth, District Engineer
Brian Bohlmann, Air Quality Engineer

Table 1: Tank, Treaters and Fugitive Emissions

Component	Oil Tanks		Heaters*		Vent Tank		Fugitives	
	lb/hr	TPY	lb/hr	TPY	lb/hr	TPY	lb/hr	TPY
Benzene	0.01	0.04	negl	negl	0.00	0.00	negl	negl
Toluene	0.00	0.00	negl	negl	0.00	0.00	negl	negl
Ethyl Benzene	0.00	0.00	negl	negl	0.05	0.26	negl	negl
Xylenes	0.00	0.00	negl	negl	0.25	1.08	negl	negl
n-Hexane	0.24	2.38	negl	negl	0.62	2.73	negl	negl
Total HAPs	0.55	2.4	0.00	0.0	0.93	4.1	0.24	1.1
Total VOCs	3.27	14.3	0.01	0.1	7.06	30.9	0.38	1.6

*The 5 heaters are for the crude oil treaters.

Table 2: Total Uncontrolled Facility Emissions

	NOx		CO		SO2		H2S		VOCs		HAPs	
	lb/hr	TPY	lb/hr	TPY	lb/hr	TPY	lb/hr	TPY	lb/hr	TPY	lb/hr	TPY
Oil Tanks	0.00	0.0	0.00	0.0	0.00	0.0	0.53	2.3	3.27	14.3	0.55	2.4
Heaters*	0.21	0.9	0.17	0.8	0.78	3.4	0.01	0.1	0.01	0.1	0.00	0.0
Vent Tank	0.00	0.0	0.00	0.0	0.00	0.0	1.20	5.2	7.06	30.9	0.93	4.1
Fugitives	0.00	0.0	0.00	0.0	0.00	0.0	0.02	0.1	0.38	1.6	0.24	1.1
Total	0.21	0.9	0.17	0.8	0.78	3.4	1.75	7.7	10.72	46.9	1.73	7.6

Table 3: Total Controlled Facility Emissions

	NOx		CO		SO2		H2S		VOCs		HAPs	
	lb/hr	TPY	lb/hr	TPY	lb/hr	TPY	lb/hr	TPY	lb/hr	TPY	lb/hr	TPY
Oil Tanks	0.00	0.0	0.00	0.0	0.00	0.0	0.53	2.3	3.27	14.3	0.55	2.4
Heaters*	0.21	0.9	0.17	0.8	0.78	3.4	0.00	0.0	0.01	0.1	0.00	0.0
Vent Tank	0.02	0.1	0.12	0.5	2.33	10.2	0.00	0.0	0.14	0.6	0.02	0.1
Fugitives	0.00	0.0	0.00	0.0	0.00	0.0	0.02	0.1	0.38	1.6	0.24	1.1
Total	0.23	1.02	0.29	1.29	3.11	13.62	0.54	2.37	3.80	16.63	0.82	3.57

Table 4: Change In Facility Emissions

	NOx		CO		SO2		H2S		VOCs		HAPs	
	lb/hr	TPY	lb/hr	TPY	lb/hr	TPY	lb/hr	TPY	lb/hr	TPY	lb/hr	TPY
Previous	0.21	0.9	0.15	0.7	2.05	9.0	0.54	2.4	2.87	12.6	0.30	1.3
Current	0.23	1.0	0.29	1.3	3.11	13.6	0.54	2.4	3.80	16.6	0.82	3.6
Change	0.02	0.1	0.14	0.6	1.06	4.7	0.00	0.0	0.93	4.1	0.51	2.3



THE STATE OF WYOMING



JIM GERINGER
GOVERNOR

Department of Environmental Quality

Herschler Building • 122 West 25th Street • Cheyenne, Wyoming 82002

ADMINISTRATION (307) 777-7758 FAX 777-7682	ABANDONED MINES (307) 777-6145 FAX 777-6462	AIR QUALITY (307) 777-7391 FAX 777-5616	INDUSTRIAL SITING (307) 777-7368 FAX 777-6937	LAND QUALITY (307) 777-7756 FAX 777-5864	SOLID & HAZARDOUS WASTE (307) 777-7752 FAX 777-5973	WATER QUALITY (307) 777-7781 FAX 777-5973
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July 5, 2000

Ms. Lee Ann Elsom
Environmental Coordinator
Citation Oil & Gas Corporation
8223 Willow Place South, Suite 250
Houston,
TX 77070-5623

Permit No. MD-466

Dear Ms. Elsom:

The Division of Air Quality of the Wyoming Department of Environmental Quality has completed final review of Citation Oil & Gas Corporation application to modify an existing crude oil production site, known as the Tensleep #2 Tank Battery, to increase production and install a smokeless combustion device to control volatile organic compound emissions to establish federally enforceable conditions to qualify as a minor source under Chapter 6, Section 3 of the Wyoming Air Quality Standards and Regulations, located in the SE¼ of Section 12, T47N, R100W approximately nine (9) miles southeast of Meeteetse, in Park County, Wyoming.

Following this agency's proposed approval of the request as published April 24, 2000 and in accordance with Chapter 6, Section 2(m) of the Wyoming Air Quality Standards and Regulations, the public was afforded a 30-day period in which to submit comments concerning the proposed modification, and an opportunity for a public hearing. No comments have been received. Therefore, on the basis of the information provided to us, approval to modify the Tensleep #2 Tank Battery as described in the application is hereby granted pursuant to Chapter 6, Section 2 of the regulations with the following conditions:

1. That authorized representatives of the Division of Air Quality be given permission to enter and inspect any property, premise or place on or at which an air pollution source is located or is being constructed or installed for the purpose of investigating actual or potential sources of air pollution, and for determining compliance or non-compliance with any rules, regulations, standards, permits or orders.
2. That all substantive commitments and descriptions set forth in the application for this permit, unless superseded by a specific condition of this permit, are incorporated herein by this reference and are enforceable as conditions of this permit.
3. A permit to operate, in accordance with WAQSR Chapter 6, Section 2 (a)(iii), is required after a 120-day start-up period, in order to operate the facility.

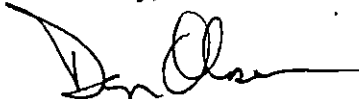
4. All notifications, reports and correspondence required by this permit shall be submitted to the Stationary Source Compliance Program Manager, Air Quality Division, 122 West 25th Street, Cheyenne, WY 82002 and a copy shall be submitted to the District Engineer, Air Quality Division, 250 Lincoln Street, Lander, WY 82520.
5. VOC, HAP and H₂S emissions associated with off-gas from the FWKOs and the heater treaters shall be controlled by a smokeless combustion device until such time these emissions are considered insignificant by the Division.
6. Citation Oil and Gas Corporation shall maintain and operate the combustion device during all periods of active tank battery operation such that it remains effective as a viable emissions control device. Records shall be maintained, noting periods when the combustion device is not operational. Records shall be kept for a period of at least 5 years and shall be made available to the Division upon request.
7. Excess emissions as a direct result of malfunction or abnormal conditions or breakdown of the combustion device or related operating equipment beyond the control of the person or firm owning or operating such equipment shall not be deemed to be in violation of such requirements, if the Division is advised of the circumstances within 24 hours of such malfunction and a corrective program acceptable to the Division is furnished.
8. The combustion device shall be designed, constructed, operated and maintained to be smokeless, per Chapter 3, Section 6 (b)(i) of the WAQSR, with no visible emissions except for periods not to exceed a total of five (5) minutes during any two (2) consecutive hours as determined by 40 CFR, Part 60, Appendix A, Method 22.

Issuance of this permit certifies the Tensleep #2 Tank Battery is a minor source with respect to Chapter 6, Section 3, Operating Permits, based on the emissions reported in the application and contained in the permit analysis. This certification is valid as long as the facility is operated in accordance with production descriptions and equipment described in the permit application.

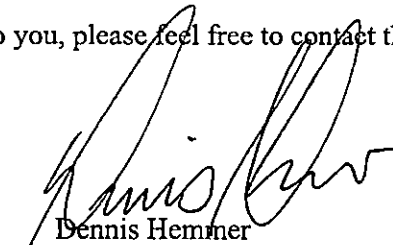
It must be noted that this approval does not relieve you of your obligation to comply with all applicable county, state, and federal standards, regulations or ordinances. Special attention must be given to Chapter 6, Section 2 of the Wyoming Air Quality Standards and Regulations, which details the requirements for compliance with condition 3. Any appeal of this permit as a final action of the Department must be made to the Environmental Quality Council within sixty (60) days of permit issuance per Section 16, Chapter I, General Rules of Practice and Procedure, Department of Environmental Quality.

If we may be of further assistance to you, please feel free to contact this office.

Sincerely,



Dan Olson
Administrator
Air Quality Division



Dennis Hemmer
Director
Dept. of Environmental Quality

cc: Dan Fauth

DO/cs

EMISSIONS SUMMARY

Based on 482 BPD of Crude Oil Production and 26 MSCFD Sour Natural Gas Production

Tensleep #2 Tank Battery							
Source		Emissions¹ (TPY)					
		VOC	HAP	NO_x	CO	H₂S	SO₂
Off-gas from 5 - FWKOs and 4 - heater treaters	Controlled with Smokeless Combustion Device (98% destruction efficiency)	2.1	0.4	0.4	2.1		44.9
4 - heater treaters with 1.0 MMBtu/hr burners		<0.1	<0.1	1.6	0.3	0.0	
2-1000 BBL Oil Storage Tanks (standing, working, breathing, flashing losses)		14.7	2.9			3.4	
Fugitive Emissions		2.2	0.4			0.5	
Total Emissions		19.1	3.8	2.0	2.4	3.9	44.9

¹ Rounded to the nearest 0.1 ton