

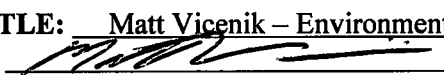
Texas Commission on Environmental Quality  
Form APD - CERT  
Certification of Emission Limits  
(Page 1)

AIR NSR\_RN 102711736  
Permit 50648 PA\_2015-12-22  
Application\_Project 145576

<b>I. Company and Site Information</b>		
A. Company Name: Hilcorp Energy Company		
B. Responsible Official Name: Matt Vicenik		
Responsible Official's Title: Environmental Manager		
Mailing Address: 1201 Louisiana St., Suite 1400		
City: Houston	County: Harris	
State: TX	ZIP Code: 77002	
Telephone: 713-289-2951	Fax: 713-289-2750	
E-mail Address: mvicenik@hilcorp.com		
C. Site Name: Poole Tank Battery		
Street Address: (if different from above)		
If "NO," street address describe physical location with driving directions:		
From Baytown go E on 110 on Trinity River Bridge go left on FM563 to FM 770 go right on FM770 go to CR1180 crossing over CR118 follow lease rd to site, Baytown, Liberty Country.		
City or nearest city: Baytown	County: Liberty	ZIP Code: 77520
D. TCEQ Account Identification Number (leave blank if unknown): LH0271J		
E. TCEQ Customer Reference Number (leave blank if unknown): CN600125991		
TCEQ Regulated Entity Number (leave blank if unknown): RN102711736 Void		
F. Does the site have a Title V Permit?	permit 50648	<input type="checkbox"/> YES <input checked="" type="checkbox"/> NO
G. Title V Permit Number:	project 145576	
H. Is this a small business?		<input type="checkbox"/> YES <input checked="" type="checkbox"/> NO
<b>II. Attach the Following Documentations</b>		
A. Copies of a previously completed Form PI-7 and all supporting documentation.		
B. A list of each source of air emissions at the site.		
C. A summary of the certified emission rates.		
D. A process description.		
<b>III. Maintain Records On Site to Demonstrate Continuing Compliance and Make the Records Available on Request</b>		

**RECEIVED**  
AUG 08 2016  
TCEQ  
CENTRAL FILE ROOM

**Texas Commission on Environmental Quality  
Form APD – CERT  
Certification of Emission Limits  
(Page 2)**

<b>IV. Purpose of this Certification</b> <i>(choose and complete all that are appropriate)</i>	
This certification is intended to establish emission rates below state and federal rule thresholds and triggers for:	
<input type="checkbox"/> 30 TAC § 106.4 for Permits by Rule	<input checked="" type="checkbox"/> Permit by Rule Number: 50648
<input type="checkbox"/> HR VOC Emissions Cap and Trade Program	<input checked="" type="checkbox"/> Emissions Banking and Trading Program (other than HRVOC)
<input type="checkbox"/> 30 TAC § 115 for Volatile Organic Compounds	<input type="checkbox"/> 30 TAC § 117 for Nitrogen Oxides
<input type="checkbox"/> 40 CFR Part 60, Subpart	<input type="checkbox"/> 40 CFR Part 61, Subpart
<input type="checkbox"/> 40 CFR Part 63, Subpart	<input type="checkbox"/> Title V Permit Major Source Applicability
<input type="checkbox"/> Standard Permit:	<input type="checkbox"/> Other:
<b>V. Requests Associated with this Certification</b>	
A. Are you requesting to withdraw your Title V operating permit application? <span style="float: right;"><input type="checkbox"/> YES <input checked="" type="checkbox"/> NO</span>	
<i>If "YES," submit the original of this certification, directly to the assigned Title V permit reviewer and send a copy to the locations indicated in the Mailing Instruction below.</i>	
B. Are you requesting to void an issued Title V operating permit or authorization to operate under a general operating permit? <span style="float: right;"><input type="checkbox"/> YES <input checked="" type="checkbox"/> NO</span>	
<i>If "YES," submit this certification to the locations indicated in the Mailing Instructions page 9</i>	
C. For issued Title V permits, are you subject to Title V permitting requirements, but are submitting this certification to demonstrate that you are not subject to MACT requirements? <span style="float: right;"><input type="checkbox"/> YES <input checked="" type="checkbox"/> NO</span>	
<i>If "YES," submit this certification to the locations indicated in the Mailing Instructions page 9</i>	
D. For pending Title V permits, are you subject to Title V permitting requirements, but are submitting this certification to demonstrate that you are not subject to MACT requirements? <span style="float: right;"><input type="checkbox"/> YES <input checked="" type="checkbox"/> NO</span>	
<i>If "YES," submit the original of this certification directly to the assigned Title V permit reviewer and send a copy to the locations indicated in the Mailing Instructions page 9.</i>	
<b>VI. Certification by Responsible Official</b>	
All representations in this certification of emissions are conditions upon which the stationary source shall operate. This certification reflects the maximum emission rates for the operation of this facility. The facility will operate in compliance with all regulations of the Texas Commission on Environmental Quality and with Federal U.S. Environmental Protection Agency regulations governing air pollution. It shall be unlawful for any person to vary from such representation unless the certification is first revised. The signature below indicates that, based on information and belief formed after reasonable inquiry, the statements, and information contained in the attached documents are true, accurate, and complete.	
NAME and TITLE: <u>    Matt Vicenik – Environmental Manager    </u>	
SIGNATURE: <u></u>	Date: <u>    12-22-15    </u>
<small>ORIGINAL SIGNATURE REQUIRED</small>	

**Reminder:** The original of this certification must be sent to the TCEQ in Austin and copies sent to the appropriate TCEQ Regional office and any local air pollution control programs with jurisdiction. A copy must also be maintained on site or, for sites that normally operate unattended, at an office within Texas having day-to-day operational control of the site



**Texas Commission on Environmental Quality  
Form APD-CERT**

**Certification of Emission Limits**

*Attach additional pages if needed if needed.*

**(Page 3)**

<b>Emission Rate Data</b>									
FIN	Facility Name	EPN	Point Name	Authorization Type	Authorization Date	Permit or Registration Number (if applicable)	Air Contaminant Name	Maximum Certified	
								Emission Rates	
								Pounds/Hour	Tons/Year
FUG001	Site-Wide Fugitives	FUG001	Site-Wide Fugitives	PBR	4/23/2002	50648	VOC	0.00	0.00
TANK1	400 bbl Oil Storage Tank	TANK1	400 bbl Oil Storage Tank	PBR	4/23/2002	50648	VOC	0.00	0.00
LOAD1	Truckloading Fugitives	LOAD1	Truckloading Fugitives	PBR	4/23/2002	50648	VOC	0.00	0.00
<b>Emissions Totals:</b>								0.00	0.00

HAND DELIVERY

December 29, 2015

Texas Commission on Environmental Quality  
Rule Registrations Section (MC-163)  
Air Permit Division  
P.O. Box 13087  
Austin, Texas 78711-3087

**Re: Application for Certification of Emission Limits  
Poole Tank Battery  
Hilcorp Energy Company  
TCEQ Account No.: LH0271J  
RN: RN102711736 CN: CN600125991**

**AIR PERMITS DIVISION  
DEC 30 2015  
\*\*\*HAND-DELIVERED\*\*\***

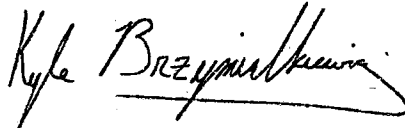
To Whom It May Concern:

Hilcorp Energy Company (Hilcorp) is submitting this application for certification of emission limits for the permanent shut down of oil and gas production equipment at the Poole Tank Battery (Poole) located in Liberty County, Texas. Poole operated under Permit-By-Rule (PBR) No. 50648 from April 23, 2002 to December 22, 2015.

Hilcorp has executed its permanent shutdown strategy by disconnecting and de-inventorying all production equipment at Poole on December 22, 2015. In addition to this application for certification of emission limits, Hilcorp is simultaneously requesting the Texas Commission on Environmental Quality (TCEQ) to permanently void PBR No. 50648.

If you have any questions or comments on this submittal, please contact Kyle Brzymialkiewicz at 281-610-0164 or [kyle@sageenvironmental.com](mailto:kyle@sageenvironmental.com). Please provide notification of the approval of the certification of the emission limits to Kyle Brzymialkiewicz via email as soon as possible, as this action is associated with a pending Emission Reduction Credit Application currently in review with the Emissions Banking and Trading Group.

Sincerely,



Kyle Brzymialkiewicz  
Client Guardian  
Sage Environmental Consulting, LP

cc:

**Certified Mail: 7012 2920 0000 6987 1613**  
**Return Receipt Requested**  
TCEQ Regional Office  
5425 Polk St., Ste. H  
Houston, TX 77023-1452

**Certified Mail: 7012 2920 0000 6987 1606**  
**Return Receipt Requested**  
TCEQ EBT Program (MC-206)  
P.O. Box 13087  
Austin, Texas 78711-3087

**Hilcorp Energy Company**

**Certification of Emission Limits Application**

**Poole Tank Battery**

**Liberty, Texas**

**December 2015**

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## **SECTION 1 INTRODUCTION**

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Sage Environmental Consulting, LP (Sage), on behalf of our client Hilcorp Energy Company (Hilcorp), has prepared an application to certify the emission limits for the permanent shutdown of the following emission generating equipment at the Poole Tank Battery (Poole), FINs: FUG001, TANK1, and LOAD1, located within the Houston-Galveston-Brazoria (HGB) nonattainment area.

Sage is submitting the following information as required by TCEQ Form APD-CERT:

- List of Each Source
- Process Descriptions
- Summary of the Certified Emission Rates
- Form APD-CERT
- Supporting Documentation

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## SECTION 2 DESCRIPTION

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### General Notes

On December 22, 2015, Hilcorp (CN600125991) permanently ceased all oil and gas production activity located at Poole (RN102711736). The shutdown of Poole includes the permanent shutdown of one 500 bbl oil storage tank (TANK1), truck loading emissions (LOAD1), and the associated site-wide fugitive components (FUG001).

This APD-CERT certifies a federally enforceable zero emissions rate for the above listed equipment and is being submitted as a condition of an Emission Reduction Credit (ERC) application to the Texas Commission on Environmental Quality (TCEQ). Hilcorp is applying for the Volatile Organic Compound (VOC) ERCs generated from the permanent shutdown of this equipment at the site.

A letter voiding out the PBR registration for the site is being submitted in conjunction with this Form APD-CERT. Below is a list of the subject equipment and associated air emissions specific contaminants:

- |               |                          |     |
|---------------|--------------------------|-----|
| • FIN: FUG001 | Site-Wide Fugitives      | VOC |
| • FIN: TANK1  | 500 bbl Oil Storage Tank | VOC |
| • FIN: LOAD1  | Truck-loading Emissions  | VOC |

### Process Descriptions

Poole was a typical oil and gas production facility located in Liberty County designed to produce hydrocarbons from natural reservoirs through deep wells. The facility consisted of a compressor engine, saltwater pump engine, stock tank, loading, and fugitives. The oil, gas, and water were transported to the facility via flow lines, where they were separated. The oil and water were stored in the fixed roof tank prior to transport by a tank truck and the gas was metered prior to sales to a pipeline.

The facility has been owned and operated by Hilcorp. The facility was registered under in accordance with the conditions of the general rule, 30 TAC 106.4, 106.352, 106.512 and all applicable conditions of the exemption.

Below is the emission calculation methodology for the equipment in this facility.

### Fugitives (FIN: FUGAREA)

Fugitive emissions were calculated based on actual fugitive equipment counts and TCEQ "Equipment Leak Fugitives" guidance document, as taken from the section "Emission Factors for Oil and Gas Production Operations".

**Storage Tanks (FIN: TANK1)**

The working losses and the breathing losses for the oil storage tank battery were calculated using TANKS 4.0.9D; flashing losses were estimated using the Vasquez-Beggs Correlation. Activity level was based on the total annual oil production rate obtained from the Texas RRC records.

**Loading (LOAD1)**

The loading emissions were calculated based on the AP-42 calculations. The annual net throughput was obtained from the Texas RRC records.

**Emission Rates**

The oil and gas well associated with Poole will be permanently shut down and therefore, the oil and gas production equipment listed above will be no longer operating as of December 22, 2015. Hilcorp is requesting that new certified emission limits of “zero” to be established for each facility associated with the FIN listed above.

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**APPENDIX A**  
**TCEQ FORM APD-CERT**

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Appendix A contains the completed Form APD-CERT.

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## **APPENDIX B**

### **PBR 50648 DOCUMENTS AND CORRESPONDANCE**

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Appendix B contains documents downloaded from the TCEQ's Novell Groupwise Web Publisher regarding PBR 50648.

- PBR 50648 Technical Review Document dated 03-18-2002
- PBR 50648 TCEQ Registration Response Letter dated 04-23-2002

**AIR PERMIT BY RULE REVIEW**

Registration No. 50648 Record No. 87628 Account. No. LH-0271-J Date Rec'd 03/18/2002

Company Hillcorp Energy Company County Liberty

Contact Name Mr. John Connolly Tel. (225) 383-8656

**General Rules Check:**

\* Project Emissions Acceptable? Yes X No   

\* PSD/Non-attainment Netting Req'd? Yes    No   x Does the site net Yes     
No   

\* Sitewide PBR Emissions Acceptable? Yes X No   

\* Limits on use of PBRs at this site? Yes    No   X Are they met? Yes    No   

\* NSPS/NESHAPS/MACT Standards Apply? Yes    No   X Are they met?  
Yes    No   

\* Compliance with all other applicable rules and regulations? Yes X No   

**Overall Site / Unit Description**

This is an oil and gas facility. Facility is described as the Redmond Creek Field - Poole Tank Battery. It is located in Baytown. Site description is presented as: *"From Baytown, Texas, travel east on I- 10 crossing over Trinity River Bridge. Turn left on to FM 563 and travel to FM 770. Turn right on FM 770 and follow to Bennie Rusk Road (FM 1180). Continue on FM 1180 crossing over CR 118. Stay to the left and follow lease road to location of site."*

**Project Sources / Facilities, PBRs Claimed, Applicable Standards, Emissions and Control Summary:**

Applicant is requesting authorization for its oil and gas operations under Permits by Rule 352 and 512

Emissions sources at this site are described as a 145 horsepower Caterpillar compressor engine, 25 horsepower saltwater pump engine, 550 bbl Oil tank, loading, and fugitives at the Poole Tank Battery facility in the Redmond Creek Field.

Hydrocarbons are produced from natural reservoirs through deep wells. The oil, gas, and water are transported to the facility via flow lines, where they are separated. While the oil and water are stored in fixed roof tanks prior to transport by a tank truck, the gas is compressed and metered prior to sales to a pipe line.

Emissions from the 145 hp Caterpillar engine is presented by the applicant as

17.487 tons per year (tpy) of nitrogen oxides, 17.487 tpy of carbon monoxide, 0.003 ton per year of sulfur dioxide and 3.218 tpy of volatile organic compounds. Fugitive emissions are estimated as 1.631 tons per year of volatile organic compounds. Emissions from the stock tank, estimated using Tank 4.0, are estimated as 6.171 tpy of VOCs. The Saltwater pump engine emissions adds another 0.074 tpy of CO, 0.086 tpy of NO<sub>x</sub> and 0.001 tpy of VOCs. Loading accounts for additional 0.403 tpy of VOC. This translates to an estimated site wide emissions in the amount of 17.573 tons per year of nitrogen oxides, 17.561 tons per year of carbon monoxide and 11.424 tons per year of volatile organic compounds. All engine emissions estimation were based on manufacturer's data.

Engine is powered by sweet natural gas. Gas analysis reveals that the percent by weight of sulphur compound is zero.

NAAQs NO<sub>2</sub> requirements is based on distance. Applicant represents that the 145 hp Caterpillar engine is at least 100 feet from the nearest offsite receptor. Based on distance of 100 feet, the theoretical emission limit for nitrogen oxide is 31.25 tpy (0.3125 x 100). Evidently, the actual emissions of 17.56 tpy is less than the allowable limit of 31.25 tpy.

A comparison of the emissions estimates discerned from using manufactures' data with the emissions values generated from AP -42 factors reveals that there are no emissions reductions associated with this project.

Company appears to meet the requirements of the permit by rule requested. It is my recommendation that the applicant's request be granted.

Does this registration require a 30 TAC Chapter 60 Compliance History review? Yes \_\_\_\_\_ No X

If yes, should the PBR claim be denied on the basis of the compliance history review results? Yes \_\_\_ No \_\_\_

Site Review required? Yes \_\_\_ No x Date Approved/Disapproved:

Public Notice Required? Yes \_\_\_ No x Date Completed Satisfactorily:

Emissions Savings / Reductions due to rule compliance:

NO<sub>x</sub> tpy      CO tpy VOC tpy      PM SO<sub>2</sub>

Are all general and specific applicable rule conditions satisfied? Yes X  
No \_

Emmanuel Nname      4/18/2002 Emmanuel Ukandu 4/18/2002

Reviewer / Date      Team Leader/Section Manager/Backup Date

567434fb.ntv

Mr. Michael Schoch  
Environmental Regulatory and  
Safety Manager  
Hilcorp Energy Company  
1200 Smith Street  
Suite 1800  
Houston, Texas 77002

Re: Permit by Rule

Registration Number: 50648

Redmond Creek Field - Poole Tank Battery

Baytown, Liberty County

Account Number: LH-0271-J

Dear Mr. Schoch:

This is in response to your permit by rule, Form PI-7, concerning your request to register your oil and gas facility near Baytown, Liberty County. We understand that the emission sources at this facility include: a 145-horsepower Caterpillar compressor engine, a 25-horsepower saltwater pump engine, a 550 bbl oil tank, loading, and fugitives. We also understand that your site wide emissions are 17.573 tons per year (tpy) of nitrogen oxides, 17.561 tpy of carbon monoxide, and 11.424 tpy of volatile organic compounds.

After an evaluation of the information which you have furnished, we have determined that your proposed operation is authorized under Title 30 Texas Administrative Code (30 TAC) Sections 106.352 and 106.512 if constructed and operated as described in your registration request. These permits by rule were authorized by the Texas Natural Resource Conservation Commission (TNRCC) pursuant to 30 TAC Chapter 106.

Copies of the permits by rule in effect at the time of this registration are enclosed. You must construct, install, or modify facility in accordance with the version of the permits by rule in effect when construction, installation, or modification actually begins (see 30 TAC § 106.4[a][5]). After the completion of construction, installation, or modification, the facility shall be operated in compliance with all the applicable conditions of the claimed permits by rule and 30 TAC § 106.4.

Mr. Michael Schoch

Page 2

Re: Permit by Rule Registration Number: 50648

You are reminded that regardless of whether a permit is required, this facility must be in compliance with all rules and regulations of the TNRCC and of the U.S. Environmental Protection Agency at all times. Please note that Title 40 Code of Federal Regulations Part 63 (40 CFR Part 63), Subpart HH, National Emission Standard of Hazardous Air Pollutants from Oil and Natural Gas Production Facilities, is now in effect. It is the responsibility of the owner or operator to ensure the applicability of 40 CFR Part 63, Subpart HH, is properly determined, both initially and whenever changes are made to a unit. The owner or operator may choose to complete and retain a PI-8 certification under 30 TAC § 106.6 demonstrating that the emissions levels at the unit are below applicability limits for 40 CFR Part 63, Subpart HH.

Your cooperation in this matter is appreciated. If you have any questions concerning these permits by rule, please call Mr. Emmanuel Ndam at (713) 767-3553 or write to the Texas Natural Resource Conservation Commission, Office of Permitting, Remediation and Registration, Air Permits Division (MC-162), P.O. Box 13087, Austin, Texas 78711-3087.

Sincerely,

Dana Poppa Vermillion, P.E., Acting Manager

Permits by Rule/General Operating Permits

Air Permits Division

Texas Natural Resource Conservation Commission

DPV/ECN/bvg

Enclosures

cc: Mr. Arturo Blanco, Air Program Manager, Region 12 - Houston

Record Number: 87628

AIR PERMITS DIVISION MC-162

MR MICHAEL SCHOCH

ENV REGULATORY & SAFETY  
MGR

12/18/2015

56743552.ntv

HILCORP ENERGY COMPANY

STE 1800

1200 SMITH ST

HOUSTON TX 77002

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## **APPENDIX C**

### **PBR 50648 VOIDANCE REQUEST**

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Appendix C contains Hilcorp letter requesting voidance of PBR 50648 and the NSR Air Permit/Registration Void Request Worksheet.

- Cancellation letter from Hilcorp to TCEQ
- NSR Air Permit/Registration Void Request Worksheet

HAND DELIVERY

December 29, 2015

Texas Commission on Environmental Quality  
Air Permits Initial Review Team (MC-161)  
Air Permit Division  
P.O. Box 13087  
Austin, Texas 78711-3087

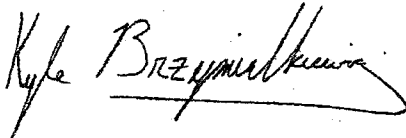
**Re: Poole Tank Battery PBR 50648 Avoidance Request  
Hilcorp Energy Company  
TCEQ Account No.: LH0271J  
RN: RN102711736 CN: CN600125991**

To Whom It May Concern:

Sage Environmental Consulting, LP (Sage), on behalf of our client Hilcorp Energy Company. (Hilcorp) requests the avoidance of PBR 50648 and all of the associated EPNs. Attached is the completed NSR Air Permit/Registration Void Request Worksheet.

If additional information is required, please feel free to contact me at (281) 610-0164 or [kyle@sageenvironmental.com](mailto:kyle@sageenvironmental.com).

Sincerely,



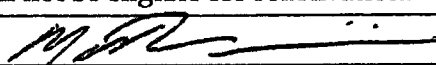
Kyle Brzymialkiewicz  
Client Guardian  
Sage Environmental Consulting, LP

cc:

**Certified Mail: 7014 0150 0001 4235 6948**  
**Return Receipt Requested**  
TCEQ Regional Office  
5425 Polk St., Ste. H  
Houston, TX 77023-1452

**Certified Mail: 7014 0150 0001 4235 6924**  
**Return Receipt Requested**  
TCEQ EBT Program (MC-206)  
P.O. Box 13087  
Austin, Texas 78711-3087

**Texas Commission on Environmental Quality  
Air Permits Division  
Air Permitting Authorization Void Request Form**

<b>I. Applicant Information</b>		
Current Owner: Hilcorp Energy Company		
Company Contact Name: Matt Vicenik		Title: Environmental Manager
Company Contact Mailing Address: 1201 Louisiana St., Suite 1400		
City: Houston	State: TX	ZIP Code: 77002
Phone: 713-289-2951		Fax: 713-289-2750
E-mail: mvicenik@hilcorp.com		
TCEQ Regulated Entity Number: RN102711736		
Effective Date of Voidance: December 22, 2015		
<b>II. Air Authorizations To Void (list each registration/permit number)</b>		
PBR 50648		
<b>III. Reason For Void</b>		
<input type="checkbox"/> Consolidation <input type="checkbox"/> Time Expired <input checked="" type="checkbox"/> Plant Dismantled		
<input checked="" type="checkbox"/> Other: <u>Emissions Banking and Trading</u>		
<b>IV. Authorization Signature</b>		
I, <u>Matt Vicenik</u> , certify that I am the responsible official for this application and that, based on information and belief formed after reasonable inquiry, the statements and information on this form are true, accurate, and complete. I further understand that any permits voided at my request will not be eligible for reactivation.		
Signature: 		Date: <u>12-22-15</u>
Title: Environmental Manager		

TCEQ – 20569 (APDG 6045v3, Revised 05/15) Air Permitting Authorization Void Request Instructions  
 This form is for use by facilities subject to air quality permit requirements and may be revised periodically.