

Mr. Ben Runnels
General Manager
PHIBRO ENERGY USA, INC.
500 Dallas Avenue, Suite 3200
Houston, Texas 77002

Re: Desana Faskin Storage
Tanks
Midland, Andrews County

Dear Mr. Runnels:

This is in response to your exemption registration concerning the operation of the existing Desana Faskin Storage Tank Facility, Tank No. Fa-3082, near Midland, in Andrews County. We understand that this facility has estimated emissions, including fugitives, not exceeding 2.95 tons per year of volatile organic compounds.

After evaluation of the information which you have furnished, we have determined that your project is exempt from permitting procedures under Standard Exemption No. 86 if constructed and operated as described in your registration request. This standard exemption was authorized by the Executive Director pursuant to Texas Natural Resource Conservation Commission (TNRCC) Rule 116.211 of Regulation VI. A copy of the exemption in effect at the time of this registration is enclosed. You must operate in accordance with all requirements of the enclosed standard exemption.

You are reminded that regardless of whether a permit is required, these facilities must be in compliance with all air quality rules and regulations of the TNRCC and of the U.S. Environmental Protection Agency at all times.

Mr. Ben Runnels

Page 2

If you have any questions concerning this exemption, please contact Mr. Hector Garcia, Jr. of our Office of Air Quality, Operating Permits Program at (512) 239-5760.

Sincerely,

Susan Blevins, P.E.

Manager, Chemical Section

New Source Review Program (MC-163)

Texas Natural Resource Conservation Commission

Enclosure

cc: Ms. Alice Cone, Air Program Regional Manager, Odessa

Record No. 34600

MC 162 - New Source Review Program, Office of Air Quality - 7200

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