

**Statement of Basis - Narrative**

**NSR**

**Type of Permit Action:** Regular-Significant Revision  
**Facility:** Chevron - Salado Draw 19 CTB and CS  
**Company:** Chevron USA Inc  
**Permit No.:** 6109M8  
**Tempo/IDEA ID No.:** 35139 - PRN20210001  
**Permit Writer:** Todd Sherrill

**Fee Tracking (not required for Title V)**

<b>Tracking</b>	<b>NSR tracking entries completed:</b> <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
	<b>NSR tracking page attached to front cover of permit folder:</b> <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
	<b>Paid Invoice Attached:</b> <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
	<b>Balance Due Invoice Attached:</b> <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
	<b>Invoice Comments:</b> Paid in full

<b>Permit Review</b>	<b>Date to Enforcement:</b> TBD	<b>Date of Enforcement Reply:</b> TBD
	<b>Date to Applicant:</b> TBD	<b>Date of Applicant Reply:</b> TBD
	<b>Date to EPA:</b> TBD or N/A	<b>Date of EPA Reply:</b> TBD or N/A
	<b>Date to Supervisor:</b> TBD	

**1.0 Plant Process Description:**

The Salado Draw 19 CTB and CS is currently authorized under NSR Permit No. 6019-M7. In this revision application, gas analyses were updated, tank working and standing emissions calculations were updated and due to the updated gas analyses, the glycol dehydrator emissions estimation and the ProMax simulation were rerun with the updated values. Chevron is applying for a revision to the NSR construction permit (20.2.72.200 NMAC) for the Salado Draw 19 CTB and CS because potential emission rates for several pollutants are greater than 10 pounds per hour and 25 tons per year.

The Salado Draw 19 CTB and CS is an oil production facility that is designed to remove water and hydrocarbon liquids from natural gas produced in the surrounding area, and to compress the gas into a pipeline for delivery to a processing plant.

The proposed facility will consist of 6 engines, 3 heater treaters, 3 heated production separators, 1 dehydration unit and associated condenser, reboiler, and glow plug when the reboiler cycles off, 4 condensate storage tanks, 5 water tank, water/slop truck loading, a flare, a VRU system with redundant capacity at the tank battery, and a single VRU at the compressor station for the slop tank.

**2.0 Description of this Modification:**

The Salado Draw 19 CTB and CS is currently authorized under NSR Permit No. 6019-M7. In this revision application, gas analyses were updated, tank working and standing emissions calculations were updated and due to the updated gas analyses, the glycol dehydrator emissions estimation and the ProMax simulation were rerun with the updated values.

The Salado Draw 19 CTB and CS is an oil production facility that is designed to remove water and hydrocarbon liquids from natural gas produced in the surrounding area, and to compress the gas into a pipeline for delivery to a processing plant.

The proposed facility consists of 6 engines, 3 heater treaters, 3 heated production separators, 1 dehydration unit and associated condenser, reboiler, and glow plug when the reboiler cycles off, 4 condensate storage tanks, 5 water storage tanks, a flash gas compressor, 1 slop tank, water/slop loading, a flare, a VRU system with redundant capacity at the tank battery, and a single VRU at the compressor station for the slop tank. Fugitive emissions for this equipment are also represented at this site.

Startup, Shutdown, and Maintenance (SSM) emissions are accounted for via individual calculations for SSM flaring, dehydrator blowdowns, VRU blowdowns, and compressor blowdowns. An additional 10.0 tpy VOC is included as allowed by the NMED SSM Guidance.

**3.0 Source Determination:**

1. The emission sources evaluated include the entire facility.

2. Single Source Analysis

A. SIC Code: Do the facilities belong to the same industrial grouping (i.e., same two-digit SIC code grouping, or support activity)? Yes

B. Common Ownership or Control: Are the facilities under common ownership or control? Yes

C. Contiguous or Adjacent: Are the facilities located on one or more contiguous or adjacent properties? Yes

3. Is the source, as described in the application, the entire source for 20.2.70, 20.2.72, 20.2.73, or 20.2.74 NMAC applicability purposes? Yes

**4.0 PSD Applicability:**

A. The source, as determined in 3.0 above, is a minor source before and after this modification.

**5.0 History (In descending chronological order, showing NSR and TV): \*The asterisk denotes the current active NSR and Title V permits that have not been superseded.**

Permit Number	Issue Date	Action Type	Description of Action (Changes)
6109M8	4/5/2022	Sig Rev	Updated gas analysis, updated tank emissions, updated glycol dehydrator emissions
6109M7	2/13/2019	Sig Rev	This modification consists of removing two engines, adding one VRU, adding one oil tank, adding two produced water tanks, update fugitive emissions, and increase throughput.

**5.0 History (In descending chronological order, showing NSR and TV):** \*The asterisk denotes the current active NSR and Title V permits that have not been superseded.

Permit Number	Issue Date	Action Type	Description of Action (Changes)
6109M6	2/6/2019	Sig Rev	This modification consists of adding three engines, adding two vapor recovery units, updating fugitive counts, and updating representative analyses at the site.
6109M5	3/20/2018	Sig Rev	This modification consists of adding three engines, adding two vapor recovery units, updating fugitive counts, and updating representative analyses at the site.
6109M4	10/12/2017	GCP-4 Revision	Revising siting registration to increase oil and water production, incorporate new analyses, update engine specifications, and update various equipment and fugitive emissions;
6109M3	6/16/2016	GCP-4 Revision	Revising siting registration to increase oil and water production, incorporate new flash and produced gas analysis, add purge gas flow to the flare, update engine emissions, and add predictable startup and shutdown emissions;
6109M2	3/21/2016	GCP-4 Revision	Revising siting registration to update engine emission factors based on updated catalyst guarantees;
6109M1	2/11/2016	GCP-4 Revision	Revising siting registration to add one Caterpillar 3516B TALE RICE rated at 1380 HP an emergency flare and a slop tank for gas scrubber;
6109R2	7/6/2015	Admin. Notice of Exemption	Notice of exemption to add temporarily add a standby generator from July 6, 2015 to July 8, 2015;
6109R1	7/6/2015	Admin. Notice to Remove GCP-6-6109	Notice of to remove GCP-6-6109; All tanks will be incorporated in GCP-4-6109
6109	1/7/2015	GCP Form A, B & C	New

**6.0 Public Response/Concerns:** As of February 7, 2022 or the issuance date of this permit, this permit writer is not aware of any public comment or concern

**7.0 Compliance Testing:**

Unit No.	Compliance Test	Test Dates
ENG-1	Initial JJJJ Test	01/13/2016
ENG-1	Periodic JJJJ Test	12/22/2016
ENG-1	2018 Q3 NSR Engine Report- NSR B111E(3)	7/16/2018
ENG-2	Initial JJJJ Test	03/15/2016
ENG-2	Periodic JJJJ Test	12/22/2017

ENG-2	2018 Q3 NSR Engine Report- NSR B111E(3)	7/16/2018
ENG-3	Initial JJJJ Test	03/15/2017
ENG-3	Periodic JJJJ Test	12/22/2017
ENG-3	2018 Q3 NSR Engine Report- NSR B111E(3)	7/16/2018
ENG-4	2018 Q3 NSR Engine Report- NSR B111E(3)	7/16/2018
ENG-1	Periodic Quarterly	3/5/2019
ENG-1	Periodic Quarterly & NSPS JJJJ	6/10/2019
ENG-1	Periodic Quarterly	8/12/2019
ENG-2	Periodic Quarterly	3/5/2019
ENG-2	Periodic Quarterly & NSPS JJJJ	6/12/2019
ENG-2	Periodic Quarterly	8/12/2019
ENG-3	Periodic Quarterly	3/7/2019
ENG-3	Periodic Quarterly & NSPS JJJJ	6/13/2019
ENG-3	Periodic Quarterly	8/13/2019
ENG-4	Periodic Quarterly	3/7/2019
ENG-4	Periodic Quarterly & NSPS JJJJ	6/10/2019
ENG-4	Periodic Quarterly	8/12/2019

**8.0 Startup and Shutdown:**

- A. If applicable, did the applicant indicate that a startup, shutdown, and emergency operational plan was developed in accordance with 20.2.70.300.D(5)(g) NMAC? No
- B. If applicable, did the applicant indicate that a malfunction, startup, or shutdown operational plan was developed in accordance with 20.2.72.203.A.5 NMAC? Yes
- C. Did the applicant indicate that a startup, shutdown, and scheduled maintenance plan was developed and implemented in accordance with 20.2.7.14.A and B NMAC? No
- D. Does the facility have emissions due to routine or predictable startup, shutdown, and maintenance? If so, have all emissions from startup, shutdown, and scheduled maintenance operations been permitted? Yes

**9.0 Compliance and Enforcement Status:**

There is no outstanding notice of violation and no settlement agreement for which all actions have not been completed.

**10.0 Modeling:** This application does not require modeling according to 20.2.70.7.E(11), 20.2.72.203.A(4), 20.2.74.303, 20.2.79.109.D NMAC and in accordance with the Air Quality Bureau's Modeling Guidelines.

**11.0 State Regulatory Analysis(NMAC/AOCR):**

Citation	Title	Applies (Y/N)	Unit(s) or Facility	Justification:
<a href="#">20 NMAC</a>				
2.1	General Provisions	Yes	Facility	The facility is subject to Title 20 Environmental Protection Chapter 2 Air Quality of the New Mexico Administrative Code so is subject to Part 1 General Provisions, Update to Section 116 of regulation for Significant figures & rounding. Applicable with no permitting requirements.

<a href="#">Citation</a> <a href="#">20 NMAC</a>	Title	Applies (Y/N)	Unit(s) or Facility	Justification:
2.3	Ambient Air Quality Standards	Yes	Facility	NSR: 20.2.3 NMAC is a SIP approved regulation that limits the maximum allowable concentration of Sulfur Compounds, Carbon Monoxide and Nitrogen Dioxide.
2.7	Excess Emissions	Yes	Facility	Applies to all facilities' sources
2.38	Hydrocarbon Storage Facilities	Yes	TK 1-4	<a href="#">20.2.38</a> NMAC This regulation could apply to storage tanks at petroleum production facilities, processing facilities, tanks batteries, or hydrocarbon storage facilities.
2.61	Smoke and Visible Emissions	Yes	ENG 1-6, HTR 1-3, SEP 1-3 REB-1, Flare	This regulation that limits opacity to 20% applies to Stationary Combustion Equipment, such as engines, boilers, heaters, and flares unless your equipment is subject to another state regulation that limits particulate matter such as 20.2.19 NMAC (see 20.2.61.109 NMAC). <b>If equipment at your facility was subject to the repealed regulation 20.2.37 NMAC it is now subject to 20.2.61 NMAC.</b>
2.72	Construction Permits	Yes	Facility	Section 200.A.1 - 200 A.6, PER > 10 pph or 25 tpy for a criteria pollutant. Or NSR Permits are the applicable requirement, including 20.2.72 NMAC.
2.73	NOI & Emissions Inventory Requirements	Yes	Facility	Applicable to all facilities that require a permit. PER > 10 tpy for a regulated air contaminant.
2.75	Construction Permit Fees	Yes	Facility	This facility is subject to 20.2.72 NMAC
2.77	New Source Performance Standards	Yes	ENG 1-6, Fug	Applies to any stationary source constructing or modifying and which is subject to the requirements of 40 CFR Part 60.
2.82	MACT Standards for Source Categories of HAPs	Yes	ENG 1-6, DHY-1	This regulation applies to all sources emitting hazardous air pollutants, which are subject to the requirements of 40 CFR Part 63.

### 12.0 Federal Regulatory Analysis:

<a href="#">Federal Regulation</a>	Title	Applies (Y/N)	Unit(s) or Facility	Comments
Air Programs Subchapter C (40 CFR 50)	National Primary and Secondary Ambient Air Quality Standards	Yes	Facility	Independent of permit applicability; applies to all sources of emissions for which there is a Federal Ambient Air Quality Standard.
NSPS Subpart A (40 CFR 60)	General Provisions	Yes	ENG 1-6, FUG	Applies if any other subpart applies.
40 CFR Part 60 Subpart JJJJ (Quad -J)	Standards of Performance for Stationary Spark.	Yes	ENG 1-6	The provisions of this subpart are applicable to manufacturers, owners, and operators of stationary spark ignition (SI) internal combustion engines (ICE) as specified in paragraphs (a)(1)

<a href="#">Federal Regulation</a>	Title	Appl es (Y/N)	Unit(s) or Facility	Comments
	Ignition Internal Combustion Engines			through (5) of section 60.4230. For the purposes of this subpart, the date that construction commences is the date the engine is ordered by the owner or operator. <a href="#">Link to regulation – read more</a>
NSPS 40 CFR Part 60 Subpart OOOOa	Standards of Performance for Crude Oil and Natural Gas Facilities for which Construction, Modification or Reconstruction Commenced After September 18, 2015	Yes	ENG 1-6, FUG	See 60.5360a The site is subject to NSPS OOOOa for the collection of fugitive emission components and the reciprocating compressors. The existing storage vessels onsite are not subject to NSPS OOOOa because there are no physical modifications being made to these existing tanks. The new storage tanks are potentially affected facilities under NSPS OOOOa; however, certified controlled emission rates are less than 6 tons per year per tank. Any pneumatic pumps are not affected facilities since they will not be gas driven.
MACT Subpart A (40 CFR 63)	General Provisions	Yes	ENG 1-6, DHY-1	Applies if any other subpart applies.
40 CFR 63.760 Subpart HH	Oil and Natural Gas Production Facilities –	Yes	DHY-1	AREA SOURCE (Minor for HAPs): 1) The facility contains affected sources (TEG glycol dehydrators, 63.760(b)(2)). However, as actual benzene emissions are less than one ton per year (63.764(e)(ii)), the dehydrators are exempt, and the records of the determination must be maintained as required in §63.774(d)(1).
40 CFR 63 Subpart ZZZZ (Quad Z)	National Emissions Standards for Hazardous Air Pollutants for Stationary Reciprocating Internal Combustion Engines (RICE MACT)	Yes	ENG 1-6	See 63.6580 and EPA Region 1’s Reciprocating Internal Combustion Guidance website. A facility is subject to this subpart if they own or operate a stationary RICE at a major or area source of HAP emissions, except if the stationary RICE is being tested at a stationary RICE test cell/stand.

13.0 **Exempt and/or Insignificant Equipment that do not require monitoring:** NA

14.0 **New/Modified/Unique Conditions (Format: Condition#: Explanation):** NA