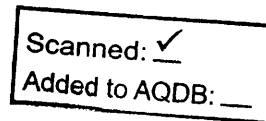




March 21, 2016

Mr. Chip Lang  
NST Express, LLC  
10077 Grogan's Mill Road, Ste 530  
The Woodlands, TX 77380



Re: Air Pollution Control  
Permit to Construct

Dear Mr. Lang:

Pursuant to the Air Pollution Control Rules of the State of North Dakota, the Department of Health has completed final review of your application to obtain a Permit to Construct for the Alexander Station in McKenzie County, ND.

Based on the results of the documents reviewed, this Department hereby issues the enclosed North Dakota Air Pollution Control Permit to Construct No. PTC16007.

Please advise the Department within 15 days after completing the project to allow for an inspection by the Department.

Note that the above-referenced permit addresses only air quality requirements applicable to your facility. Other divisions (Water Quality, Waste Management and Municipal Facilities) within the Environmental Health Section may have additional requirements. Contact information for the various divisions is listed at the bottom of this letter.

If you have any questions regarding air quality, please contact me at (701)328-5188.

Sincerely,



Craig D. Thorstenson  
Environmental Engineer  
Division of Air Quality

CDT:saj

Enc:



**AIR POLLUTION CONTROL  
PERMIT TO CONSTRUCT**

Pursuant to Chapter 23-25 of the North Dakota Century Code, and the Air Pollution Control Rules of the State of North Dakota (Article 33-15 of the North Dakota Administrative Code), and in reliance on statements and representations heretofore made by the owner designated below, a Permit to Construct is hereby issued authorizing such owner to construct and initially operate the source unit(s) at the location designated below. This Permit to Construct is subject to all applicable rules and orders now or hereafter in effect of the North Dakota Department of Health and to any conditions specified below:

**I. General Information:**

A. **Permit to Construct Number:** PTC16007

B. **Source:**

1. Name: NST Express, LLC
2. Location: Alexander Station  
Sec. 24, T152N, R102W  
39 St NW & 144 St NW  
Alexander, ND 58831  
McKenzie County, North Dakota
3. Source Type: Crude Oil Pipeline Terminal
4. Equipment to be located at the Facility:

Emission Unit Description	Emission Unit (EU)	Emission Point (EP)	Air Pollution Control Equipment
80,000 barrel crude oil storage tank (Kb)*	1	1	Submerged fill pipe; internal floating roof
50,000 barrel crude oil storage tank (Kb)**	2	2	Submerged fill pipe; internal floating roof
50,000 barrel crude oil storage tank (Kb)**	3	3	Submerged fill pipe; internal floating roof

\* Originally permitted under PTC15033 as a 50,000 barrel crude oil storage tank. With this permit, the size of the tank is changed to 80,000 barrels.

\*\* Equipment which was originally permitted under PTC15033 and is not changing with this permit.

C. **Owner/Operator (Permit Applicant):**

1. Name: NST Express, LLC
2. Address: 10077 Grogan's Mill Road, Suite 530  
The Woodlands, TX 77380
3. Application Date: February 4, 2016

II. **Conditions:** This Permit to Construct allows the construction and initial operation of the above-mentioned new or modified equipment at the source. The source may be operated under this Permit to Construct until a Permit to Operate is issued unless this permit is suspended or revoked. The source is subject to all applicable rules, regulations, and orders now or hereafter in effect of the North Dakota Department of Health and to the conditions specified below.

A. **New Source Performance Standards (NSPS) for Storage Tank(s):** The owner/operator shall operate the storage tank(s) in accordance with the following applicable requirement:

- 40 CFR Part 60, Subpart Kb - Standards of Performance for Volatile Organic Liquid Storage Vessels (including Petroleum Liquid Storage Vessels) for which Construction, Reconstruction or Modification Commenced after July 23, 1984, as incorporated by reference into NDAC Chapter 33-15-12.

C. **Storage Tanks:** All tanks shall be equipped with a submerged fill pipe in accordance with NDAC 33-15-07-01.3.

D. **Construction:** Construction of the above described facility shall be in accordance with information provided in the permit application as well as any plans, specifications and supporting data submitted to the Department. The Department shall be notified ten days in advance of any significant deviations from the specifications furnished. The issuance of this Permit to Construct may be suspended or revoked if the Department determines that a significant deviation from the plans and specifications furnished has been or is to be made.

Any violation of a condition issued as part of this permit to construct as well as any construction which proceeds in variance with any information submitted in the application, is regarded as a violation of construction authority and is subject to enforcement action.

E. **Startup Notice:** A notification of the actual date of initial startup shall be submitted to the Department within 15 days after the date of initial startup.

F. **Odor Restrictions:** The owner/operator shall not discharge into the ambient air any objectionable odorous air contaminant which is in excess of the limits established in NDAC 33-15-16.

The owner/operator may not discharge into the ambient air hydrogen sulfide (H<sub>2</sub>S) in concentrations that would be objectionable on land owned or leased by the complainant or in areas normally accessed by the general public. For the purpose of complaint resolution, two samples with concentrations greater than 0.05 parts per million (50 parts per billion) sampled at least 15 minutes apart within a two-hour period and measured in accordance with Section 33-15-16-04 constitute a violation.

G. **Organic Compounds Emissions:** The facility shall comply with the applicable requirements of NDAC 33-15-07. Control of Organic Compounds Emissions.

H. **Fugitive Emissions:** The release of fugitive emissions shall comply with the applicable requirements in NDAC 33-15-17.

- I. **Permit Invalidation:** This permit shall become invalid if construction is not commenced within eighteen months after issuance of such permit, if construction is discontinued for a period of eighteen months or more; or if construction is not completed within a reasonable time.
- J. **Sampling and Testing:** The Department may require the owner/operator to conduct tests to determine the emission rate of air contaminants from the source. The Department may observe the testing and may specify testing methods to be used. A signed copy of the test results shall be furnished to the Department within 60 days of the test date. The basis for this condition is NDAC 33-15-01-12 which is hereby incorporated into this permit by reference. To facilitate preparing for and conducting such tests, and to facilitate reporting the test results to the Department, the owner/operator shall follow the procedures and formats in the Department's Emission Testing Guideline.
- K. **Annual Emission Inventory/Annual Production Reports:** The owner/operator shall submit an annual emission inventory report or an annual production report, upon request, on forms supplied or approved by the Department.
- L. **Source Operations:** Operations at the installation shall be in accordance with statements, representations, procedures, and supporting data contained in the initial application, and any supplemental information or renewal application(s) submitted thereafter. Any operations not listed in this permit are subject to all applicable North Dakota Air Pollution Control Rules.
- M. **Alterations, Modifications or Changes:** Any alteration, repairing, expansion or change in the method of operation of the source which results in the emission of an additional type or greater amount of air contaminants or which results in an increase in the ambient concentration of any air contaminant, must be reviewed and approved by the Department prior to the start of such alteration, repairing, expansion or change in the method of operation.
- N. **Recordkeeping:** The owner/operator shall maintain any compliance monitoring records required by the permit or applicable requirements. The owner/operator shall retain records of all required monitoring data and support information for a period of at least five years from the date of the monitoring sample, measurement, report or application. Support information may include all calibration and maintenance records and all original strip-chart recordings/computer printouts for continuous monitoring instrumentation, and copies of all reports required by this permit.
- O. **Air Pollution from Internal Combustion Engines:** The permittee shall comply with all applicable requirements of NDAC 33-15-08-01 – Internal Combustion Engine Emissions Restricted.
- P. **Malfunction Notification:** The owner/operator shall notify the Department as soon as possible during normal working hours of any malfunction which can be expected to last longer than twenty-four hours and can cause the emission of air contaminants in violation of applicable rules and regulations. Immediate notification to the Department is required for any malfunction that would threaten health or welfare, or pose an imminent danger.

- Q. **Operation of Air Pollution Control Equipment:** The owner/operator shall maintain and operate all air pollution control equipment in a manner consistent with good air pollution control practice for minimizing emissions.
- R. **Nuisance or Danger:** This permit shall in no way authorize the maintenance of a nuisance or a danger to public health or safety.
- S. **Transfer of Permit to Construct:** The holder of a Permit to Construct may not transfer such permit without prior approval from the Department.
- T. **Change of Ownership:** This permit may not be transferred without prior approval from the Department.
- U. **Right of Entry:** Any duly authorized officer, employee or agent of the North Dakota Department of Health may enter and inspect any property, premise or place at which the source listed in Item I.B of this permit is located at any time for the purpose of ascertaining the state of compliance with the North Dakota Air Pollution Control Rules. The Department may conduct tests and take samples of air contaminants, fuel, processing material, and other materials which affect or may affect emissions of air contaminants from any source. The Department shall have the right to access and copy any records required by the Department's rules and to inspect monitoring equipment located on the premises.
- V. **Other Regulations:** The owner/operator of the source unit(s) described in Item I.B of this permit shall comply with all State and Federal environmental laws and rules. In addition, the owner/operator shall comply with all local burning, fire, zoning, and other applicable ordinances, codes, rules and regulations.
- W. **Permit Issuance:** This permit is issued in reliance upon the accuracy and completeness of the information set forth in the application. Notwithstanding the tentative nature of this information, the conditions of this permit herein become, upon the effective date of this permit, enforceable by the Department pursuant to any remedies it now has, or may in the future have, under the North Dakota Air Pollution Control Law, NDCC Chapter 23-25. Each and every condition of this permit is a material part thereof, and is not severable.

FOR THE NORTH DAKOTA  
DEPARTMENT OF HEALTH

Date 3/21/16

By Terry L. O'Clair  
Terry L. O'Clair, P.E.  
Director  
Division of Air Quality