

MOJAVE DESERT AIR QUALITY MANAGEMENT DISTRICT

14306 Park AvenueVictorville,CA92392-2310 760.245.1661 -- 800.635.4617 -- FAX760.245.2022

AUTHORITY TO CONSTRUCT

B013085

If construction is not completed by the expiration date of this permit, it may be renewed for one additional year upon payment of applicable fees. Any additional extension will require the written approval of the Air Pollution Control Officer. This Authority to Construct may serve as a temporary Permit to Operate provided the APCO is given prior notice of intent to operate and the Permit to Operate is not specifically denied.

EXPIRES LAST DAY OF: JUNE 2026

OWNER OF OPERATOR (Co.#2434)

17K Muskrat 3 8469 Beach Circle Cypress,CA90630

EQUIPMENT LOCATION (Fac.#3831)

17K Muskrat 3 17080 Muskrat Avenue Adelanto,CA92301

Description:

PLANT OIL EXTRACTION SYSTEM #1 AND REFINEMENT PROCESSES, CANNABIS (BLDG 3) consisting of:One of two identical model "Holos 20" Closed Loop Butane/Propane cannabis oil extraction systems manufactured by ELF, Inc. The Holos 20 system is capable of processing up to 20 lbs of cannabis feed material per batch and has a maximum production rate of 15 batches per day. Once extracted, the oil is refined using the following equipment: Twelve vacuum ovens manufactured by Across International. Each of the twelve ovens has ten trays/shelves that can each hold up to 350 grams of extracted oil. Each oven takes an average of two to three days to completely dry the extracted oils. Post extraction processing also includes refining via a SprayVap and TripleExtract system manufactured by Colorado Extraction Systems and/or via a Rotovap 5L system manufactured by Across International. The SprayVap system is capable of processing up to 68 liters of winterized cannabis oil per hour and the Rotovap 5L can process up to 5 liters of winterized cannabis oil per batch. Final purification is achieved through a wiped film distillation system manufactured by CTS, Inc. Additionally, a small rosin press manufactured by Sasquatch, Inc., may be used to process small amounts (up to one ounce per batch) of cannabis feed material using heated press plates.

CONDITIONS:

1. This equipment shall be installed, operated and maintained in strict accordance with those recommendations of the manufacturer/supplier and/or sound engineering principles which produce the minimum emissions of air contaminants. Unless otherwise noted, this equipment shall also be operated in accordance with all data and specifications submitted with the application for this permit. [District Rule 204]

2. The Holos 20 oil extraction equipment shall only be operated within a Class 1, Division 1, explosion proof room. [District Rule 204]

Fee Schedule:7 (i)

Rating:1device

SIC:2833

SCC:30299999

Location/UTM(Km):459E/3825N

This permit does not authorize the emission of air contaminants in excess of those allowed by law, including Division 26 of the Health and Safety Code of the State of California and the Rules and Regulations of the District. This permit cannot be construed as permission to violate existing laws, ordinances, statutes or regulations of this or other governmental agencies. This permit must be renewed by the expiration date above. If billing for renewal fee required by Rule 301(c) is not received by expiration date above, please contact the District.

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Brad Poiriez Air Pollution Control Officer 3. The only solvents that can be used in the Oil Extraction process are n-butane and 99+% purity propane. Prior to changing solvent, the owner/operator must apply for a permit modification and have the approved, modified permit on site before use. [District Regulation XIII]

4. An operations log for this equipment must be kept for a period of two (2) years, must be kept on site, and must be made available upon request of District personnel. This log shall contain, as a minimum, the following information:

a. The monthly hours of operation and total weight of feed material processed by each Oil Extraction process line;

b. Monthly, and calendar year totals of the gallons of all solvents used in this facility, including but not limited to n-butane, propane, ethanol, and hexane; and,

c. Copies of the Environmental Data Sheet and/or Material Safety Data Sheet (MSDS) for each solvent and material used in both the Oil Extraction and refinement processes.

[District Rule 1302]

5. The owner/operator must take all steps necessary to preclude odor migration from this facility, including but not limited to: a. If using any internally-exhausting activated carbon cannister odor control devices, conduct carbon filter change outs whenever breakthrough is indicated (externally vented odor control devices require a separate District Permit);

b. Keeping doors and windows closed to the maximum extent possible; and

c. Isolating odor-emitting activities from other areas of the buildings through closing doors and windows. [District Rule 402]

6.All n-Butane and Propane storage containers shall be maintained in a leak-free condition at all times when not in use. [District Rule 442]

7. This equipment shall not emit more than a combined total of 5 gallons per day of butane and propane to the atmosphere nor more than 25 lbs of total Volatile Organic Compounds (VOCs) to the atmosphere per day. [District Regulation XIII]

8.Exhaust from this equipment shall not be vented to the atmosphere through any type of air pollution control device (APCD) without first obtaining an additional APCD permit from the District. [District Rules 203, 204, and 219]

9.No internal combustion engines with a maximum rated power of 50 bhp or greater may be used at this facility without first obtaining an additional operating permit from the District. [District Rules 203, 204, and 219]

10.A facility wide Comprehensive Emission Inventory (CEI) for all emitted criteria and toxic air pollutants must be submitted to the District, in a format approved by the District, upon District request. [District Rule 107(b), H&S Code 39607 & 44341-44342, and 40 CFR 51, Subpart A]