



MAR 14 2013

Gerardo C. Rios, Chief
Permits Office
Air Division
U.S. EPA - Region IX
75 Hawthorne St
San Francisco, CA 94105

Re: **Notice of Minor Title V Permit Modification**
District Facility # S-3755
Project # S-1130599

Dear Mr. Rios:

Enclosed for you to review is an application for minor Title V permit modification for the facility identified above. Seneca Resources is proposing a Title V minor permit modification to incorporate the recently issued Authority to Construct S-3755-12-13 into the Title V operating permit. The ATC authorizes adding 100 new cyclic wells.

Enclosed is the engineering evaluation with the following attachments: proposed modified Title V permit, recently issued Authority to Construct S-3755-12-13, emission increases and application. Please submit your written comments on this project within the 45-day comment period that begins on the date you receive this letter.

Thank you for your cooperation in this matter. If you have any questions, please contact Mr. Leonard Scandura at (661) 392-5500.

Sincerely,



David Warner
Director of Permit Services

Enclosures

Seyed Sadredin
Executive Director/Air Pollution Control Officer

Northern Region
4800 Enterprise Way
Modesto, CA 95356-8718
Tel: (209) 557-6400 FAX: (209) 557-6475

Central Region (Main Office)
1990 E. Gettysburg Avenue
Fresno, CA 93726-0244
Tel: (559) 230-6000 FAX: (559) 230-6061
www.valleyair.org www.healthyairliving.com

Southern Region
34946 Flyover Court
Bakersfield, CA 93308-9725
Tel: 661-392-5500 FAX: 661-392-5585



MAR 14 2013

Tim Alburger
Seneca Resources
2131 Mars Court
Bakersfield, CA 93308

**Re: Notice of Minor Title V Permit Modification
District Facility # S-3755
Project # S-1130599**

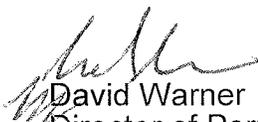
Dear Mr. Alburger:

Enclosed is the District's analysis of your application for minor Title V permit modification for the facility identified above. You proposed a Title V minor permit modification to incorporate recently issued Authority to Construct S-3755-12-13 into the Title V operating permit. The ATC authorizes adding 100 new cyclic wells.

Enclosed is the engineering evaluation with the following attachments: proposed modified Title V permit, recently issued Authority to Construct S-3755-12-13, emission increases and application. This project will be subject to a 45-day EPA commenting period prior to the District taking final action.

Thank you for your cooperation in this matter. If you have any questions, please contact Mr. Leonard Scandura at (661) 392-5500.

Sincerely,



David Warner
Director of Permit Services

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TITLE V APPLICATION REVIEW

Minor Modification
Project #: S-1130599

Engineer: Robert Rinaldi
Date: March 11, 2013

Facility Number: S-3755
Facility Name: Seneca Resources
Mailing Address: 2131 Mars Court
Bakersfield, CA 93308

Reviewed by AP SUPRAQE
MAR 12 2013

Contact Name: Tim Alburger
Phone: (661) 399-4270

Responsible Official: Brad Elliot
Title: General Manger, Operations - West Division

I. PROPOSAL

Seneca Resources is proposing a Title V minor permit modification to incorporate the recently issued ATC S-3755-12-13 into the Title V operating permit for modification of thermally enhanced oil recovery (TEOR) operation with 100 cyclic wells served by a casing vent vapor control system by adding 100 more cyclic wells.

The purpose of this evaluation is to identify all applicable requirements, determine if the facility will comply with the applicable requirements and to provide the legal and factual basis for the proposed revisions.

II. FACILITY LOCATION

The project is located at the Midway-Sunset (South) Maricopa Lease. The location of the wells are in Section 18, Township 11N, Range 23W at Seneca Resources Heavy Oil Western stationary source.

III. EQUIPMENT DESCRIPTION

S-3755-12-13:

MODIFICATION OF THERMALLY ENHANCED OIL RECOVERY (TEOR) OPERATION WITH 100 CYCLIC WELLS SERVED BY A CASING VENT VAPOR CONTROL SYSTEM WITH LIQUID KNOCKOUT(S), HEAT EXCHANGER(S), SULFA TREAT CONTACTOR VESSEL(S), AND COMPRESSOR(S): ADD 100 CYCLIC WELLS

IV. SCOPE OF EPA AND PUBLIC REVIEW

This change to a Title V permit is considered to be a minor modification and, as such, requires no public review.

V. APPLICABLE REQUIREMENTS

District Rule 2520, Federally Mandated Operating Permits (Adopted June 21, 2001)

VI. DESCRIPTION OF PROPOSED MODIFICATIONS

Only the equipment description will be modified to add reference to the 100 additional cyclic wells.

THERMALLY ENHANCED OIL RECOVERY (TEOR) OPERATION WITH 200 ~~400~~ CYCLIC WELLS SERVED BY A CASING VENT VAPOR CONTROL SYSTEM WITH LIQUID KNOCKOUT(S), HEAT EXCHANGER(S), SULFA TREAT CONTACTOR VESSEL(S), AND COMPRESSOR(S)

VII. COMPLIANCE

In accordance with Rule 2520, 3.20, these modifications:

1. Do not violate requirements of any applicable federally enforceable local or federal requirement;
2. Do not relax monitoring, reporting, or recordkeeping requirements in the permit and are not significant changes in existing monitoring permit terms or conditions;
3. Do not require or change a case-by-case determination of an emission limitation or other standard, or a source-specific determination for temporary sources of ambient impacts, or a visibility or increment analysis;
4. Do not seek to establish or change a permit term or condition for which there is no corresponding underlying applicable requirement and that the source has assumed to avoid an applicable requirement to which the source would otherwise be subject. Such terms and conditions include:
 - a. A federally enforceable emission cap assumed to avoid classification as a modification under any provisions of Title I of the Federal Clean Air Act; and
 - b. An alternative emissions limit approved pursuant to regulations promulgated under section 112(i)(5) of the Federal Clean Air Act; and
5. Are not Title I modifications as defined in District Rule 2520 or modifications as defined in section 111 or 112 of the Federal Clean Air Act; and
6. Do not seek to consolidate overlapping applicable requirements.

In accordance with Rule 2520, the application meets the procedural requirements of section 11.4 by including;

1. A description of the change, the emissions resulting from the change, and any new applicable requirements that will apply if the change occurs;
2. The source's suggested draft permit; and
3. Certification by a responsible official that the proposed modification meets the criteria for use of minor permit modification procedures and a request that such procedures be used.

VIII. ATTACHMENTS

- A. Proposed Title V Operating Permit
- B. Authority to Construct
- C. Existing Title V Operating Permit
- D. Emissions Increases
- E. Application
- F. Compliance Certification Form

ATTACHMENT A

Proposed Modified Title V Operating Permit No.
(S-3755-12-14)

San Joaquin Valley Air Pollution Control District

PERMIT UNIT: S-3755-12-14

EXPIRATION DATE: 02/29/2016

SECTION: 18 **TOWNSHIP:** 11N **RANGE:** 23W

EQUIPMENT DESCRIPTION:

THERMALLY ENHANCED OIL RECOVERY (TEOR) OPERATION WITH 200 CYCLIC WELLS SERVED BY A CASING VENT VAPOR CONTROL SYSTEM WITH LIQUID KNOCKOUT(S), HEAT EXCHANGER(S), H2S SULFA TREAT CONTACTOR VESSEL(S), AND COMPRESSOR(S)

PERMIT UNIT REQUIREMENTS

1. All equipment shall be maintained in good operating condition and shall be operated in a manner to minimize emissions of air contaminants into the atmosphere. [District Rule 2201] Federally Enforceable Through Title V Permit
2. All emissions units shall always operate at least 2,900 feet away from the nearest receptor. [District Rule 4102]
3. Steam enhanced wells shall only be located in the east half of Section 13, T11N, R24W and Sections 7, 18, 19, and 20 T11N, R23W. [District Rule 2201] Federally Enforceable Through Title V Permit
4. Steam generators S-2891-1 and S-2891-2 shall not be located in Section 7, T11N, R23W and SE Section 13, T11N, R24W. [District Rule 2201] Federally Enforceable Through Title V Permit
5. Un-condensable vapors from steam enhanced wells located in east half of Section 13, T11N, R24W and Sections 7, 18, 19, and 20 T11N, R23W shall be incinerated at steam generators (S-2891-1, S-2891-2, S-3755-11 and S-3755-19) and/or flare (S-3755-10). [District Rule 2201] Federally Enforceable Through Title V Permit
6. Sulfatreat vessels shall operated and maintained to achieve 95% by weight removal of sulfur compounds from TEOR gas. [District Rule 2201] Federally Enforceable Through Title V Permit
7. Fugitive VOC emissions from this Casing Vapor Control System (CVCS) shall not exceed 18.3 lb/day. [District Rule 2201] Federally Enforceable Through Title V Permit
8. The inspection requirements of Section 5.4.1 through Section 5.4.7 of Rule 4401 shall not apply to components exclusively handling gas/vapor or liquid with a VOC content of ten percent by weight (10%) or less, as determined by the test methods in Section 6.3.4 of Rule 4401. [District Rule 4401, 4.7] Federally Enforceable Through Title V Permit
9. VOC content of hydrocarbons in gas processed from steam enhanced wells approved by ATC S-3755-12-13 shall not exceed 10% by weight. Permittee shall sample and record the VOC content of hydrocarbons at least once every 12 months. [District Rules 1070 and 2201] Federally Enforceable Through Title V Permit
10. VOC content of hydrocarbons in gas processed from steam enhanced wells located in Section 7, T11N, R23W shall not exceed 10% by weight. Permittee shall sample and record the VOC content of hydrocarbons at least once every 12 months. [District Rules 1070 and 2201] Federally Enforceable Through Title V Permit
11. VOC content of hydrocarbons in gas processed from steam enhanced wells located in the east half of Section 13, T11N, R24W shall not exceed 50% by weight. Permittee shall sample and record the VOC content of hydrocarbons at least once every 12 months. [District Rules 1070 and 2201] Federally Enforceable Through Title V Permit
12. VOC content of hydrocarbons in gas processed from steam enhanced wells located in Section 18, T11N, R23W shall not exceed 16% by weight. Permittee shall sample and record the VOC content of hydrocarbons at least once every 12 months. [District Rules 1070 and 2201] Federally Enforceable Through Title V Permit

PERMIT UNIT REQUIREMENTS CONTINUE ON NEXT PAGE
These terms and conditions are part of the Facility-wide Permit to Operate.

13. VOC content of hydrocarbons in gas processed in the Section 18 CVCS site shall not exceed 16% by weight. Permittee shall sample and record the VOC content of hydrocarbons at least once every 12 months. [District Rules 1070 and 2201] Federally Enforceable Through Title V Permit
14. VOC content of hydrocarbons in gas processed from steam enhanced wells located in Sections 19 and 20, T11N, R23W shall not exceed 10% by weight. Permittee shall sample and record the VOC content of hydrocarbons at least once every 12 months. [District Rules 1070 and 2201] Federally Enforceable Through Title V Permit
15. VOC content of gas shall be determined by ASTM D1945, EPA Method 18 referenced as methane, or equivalent test method with prior District approval. [District Rule 2201] Federally Enforceable Through Title V Permit
16. Any component leak shall be repaired to a leak-free condition, or vented to a flare satisfying the requirements of 40 CFR 60.18, or to a vapor control device that is at least 95 percent efficient as measured by EPA Method 25 within fifteen (15) calendar days of detection. The APCO may grant a ten (10) calendar day extension provided the operator demonstrates necessary and sufficient actions are being taken to correct the leak within this time period. [District Rule 4401, 6.2] Federally Enforceable Through Title V Permit
17. During the time any steam-enhanced crude oil production well is undergoing service or repair while the well is not producing, it shall be exempt from the emission control requirements of District Rule 4401. [District Rule 4401, 4.1] Federally Enforceable Through Title V Permit
18. All records shall be retained for a period of at least 5 years and shall be made available for District inspection upon request [District Rule 1070 and 4401, 6.1] Federally Enforceable Through Title V Permit
19. An operator shall not operate a steam-enhanced crude oil production well unless either of the following two conditions are met: 1) The steam-enhanced crude oil production well vent is closed and the front line production equipment downstream of the wells that carry produced fluids is connected to a VOC collection and control system as defined in Section 3.0 of this Rule or 2) the steam-enhanced crude oil production well vent is open and the well vent is connected to a VOC collection and control system as defined in Section 3.0. [District Rule 4401, 5.1] Federally Enforceable Through Title V Permit
20. An operator shall be in violation of this rule if any District inspection demonstrates or if any operator inspection conducted pursuant to Section 5.8 of Rule 4401 demonstrates the existence of an open-ended line or a valve located at the end of the line that is not sealed with a blind flange, plug, cap, or a second closed valve that is not closed at all times, except during attended operations as defined by Section 5.6.2.1 of Rule 4401 requiring process fluid flow through the open-ended lines, a component with a major liquid leak, or a component with a gas leak greater than 50,000 ppmv. [District Rule 4401, 5.2] Federally Enforceable Through Title V Permit
21. An operator shall be in violation of this rule if any District inspection demonstrates or if any operator inspection conducted pursuant to Section 5.4 of Rule 4401 demonstrates the existence of any combination of components with minor liquid leaks, minor gas leaks, or a gas leaks greater than 10,000 ppmv up to 50,000 ppmv that totals more than number of leaks allowed by Table 2 of Rule 4401. [District Rule 4401, 5.2] Federally Enforceable Through Title V Permit
22. No leaking components (as defined in Section 5.6.2 of Rule 4401) may be used unless they have been identified with a tag for repair, are repaired, or awaiting re-inspection after being repaired within the applicable time frame specified in Section 5.5. [District Rule 4401, 5.3] Federally Enforceable Through Title V Permit
23. Each hatch shall be closed at all times except during attended repair, replacement, or maintenance operations, providing such activities are done as expeditiously as possible with minimal spillage or material and VOC emissions into the atmosphere. [District Rule 4401, 5.3] Federally Enforceable Through Title V Permit
24. The operator shall comply with the requirements of Section 6.7 if there is any change in the description of major components or critical components. [District Rule 4401, 5.3] Federally Enforceable Through Title V Permit
25. Unless otherwise specified in Section 5.8, an operator shall perform all component inspections and gas leak measurements pursuant to the requirements of Section 6.3.3. [District Rule 4401, 5.4] Federally Enforceable Through Title V Permit

PERMIT UNIT REQUIREMENTS CONTINUE ON NEXT PAGE
These terms and conditions are part of the Facility-wide Permit to Operate.

26. Except for pipes and unsafe-to-monitor components, an operator shall inspect all other components pursuant to the requirements of Section 6.3.3 at least once every year. [District Rule 4401, 5.4] Federally Enforceable Through Title V Permit
27. An operator shall visually inspect all pipes at least once every year. Any visual inspection of pipes that indicates a leak that cannot be immediately repaired to meet the leak standards of this rule shall be inspected within 24 hours after detecting the leak. If a leak is found, the leak shall be repaired as soon as practicable but not later than the time frame specified in Table 4 of this Rule. [District Rule 4401, 5.4] Federally Enforceable Through Title V Permit
28. In addition to the inspections required by Section 5.4.1 of Rule 4401, an operator shall inspect for leaks all accessible operating pumps, compressors, and PRDs in service as follows: An operator shall audio-visually (by hearing and by sight) inspect for leaks all accessible operating pumps, compressors, and PRDs in service at least once each calendar week. Any audio-visual inspection of an accessible operating pump, compressor, and PRD performed by an operator that indicates a leak that cannot be immediately repaired to meet the leak standards of this rule shall be inspected not later than 24 hours after conducting the audio-visual inspection. If a leak is found, the leak shall be repaired as soon as practicable but not later than the time frame specified in Table 3 of Rule 4401. [District Rule 4401, 5.4.3] Federally Enforceable Through Title V Permit
29. The operator shall also perform the following inspections: 1) An operator shall initially inspect a PRD that releases to the atmosphere as soon as practicable but not later than 24 hours after the discovery of the release. An operator shall re-inspect the PRD not earlier than 24 hours after the initial inspection but not later than 15 calendar days after the initial inspection. 2) An operator shall inspect all new, replaced, or repaired fittings, flanges, and threaded connections within 72 hours of placing the component in service, and 3) Except for PRDs subject to the requirements of Section 5.8.4.1 of this Rule, an operator shall inspect a component that has been repaired or replaced not later than 15 calendar days after the component was repaired or replaced. [District Rule 4401, 5.4] Federally Enforceable Through Title V Permit
30. An operator shall inspect all unsafe-to-monitor components during each turnaround. [District Rule 4401, 5.4] Federally Enforceable Through Title V Permit
31. A District inspection in no way fulfills any of the mandatory inspection requirements that are placed upon operators and cannot be used or counted as an inspection required of an operator. [District Rule 4401, 5.4] Federally Enforceable Through Title V Permit
32. Upon detection of a leak, an operator shall affix a readily visible weatherproof tag to that leaking component that includes the following information: 1) The date and time of leak detection; 2) The date and time of the leak measurement; 3) For a gaseous leak, the leak concentration in ppmv; 4) For a liquid leak, whether it is a major or minor liquid leak; and 5) Whether the component is an essential component, and unsafe-to-monitor component, or a critical component. [District Rule 4401, 5.5] Federally Enforceable Through Title V Permit
33. The tag shall remain affixed to the leaky component until all the following requirements are met: 1) The component is repaired or replaced, 2) The component is re-inspected as set forth in Section 6.3, and 3) The component is found to be in compliance with this Rule. [District Rule 4401, 5.5] Federally Enforceable Through Title V Permit
34. An operator shall minimize a component leak in order to stop or reduce leakage to the atmosphere immediately to the extent possible, but not later than one (1) hour after detection of the leak. [District Rule 4401, 5.5] Federally Enforceable Through Title V Permit
35. Except for leaking critical components or leaking essential components subject to the requirements of Section 5.9.7, if an operator has minimized a leak but the leak still exceeds the applicable leak limits as defined in Section 3.0, an operator shall comply with at least one of the following three requirements as soon as practicable but not later than the time period specified in Table 4: 1) Repair or replace the leaking component, 2) Vent the leaking component to a VOC collection and control system as defined in Section 3.0, or 3) Remove the leaking component from operation. [District Rule 4401, 5.5] Federally Enforceable Through Title V Permit
36. The leak rate measured after leak minimization has been performed shall be the leak rate used to determine the applicable repair period specified in Table 4. [District Rule 4401] Federally Enforceable Through Title V Permit

PERMIT REQUIREMENTS CONTINUE ON NEXT PAGE
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37. The time of the initial leak detection shall be the start of the repair period specified in Table 4. [District Rule 4401, 5.5] Federally Enforceable Through Title V Permit
38. If the leaking component is an essential component or a critical component that cannot be immediately shut down for repairs, and if the leak has been minimized but the leak still exceeds the applicable leak standard of this rule, the operator shall repair or replace the essential component or critical component to eliminate the leak during the next process unit turnaround, but in no case later than one year from the date of the original leak detection, whichever comes earlier. [District Rule 4401, 5.5] Federally Enforceable Through Title V Permit
39. The following records shall be retained for a period of five years and made available for District inspection upon request. 1) The dates and well identification where steam injection occurs, 2) Monthly records of county-specific crude oil production as set forth by the California Division of Oil, Gas and Geothermal Resources, For the purpose of this rule, the monthly crude oil production records required by the California Division of Oil, Gas, and Geothermal Resources may be used to satisfy this requirement, 3) All source test records which demonstrate compliance with the VOC collection and control efficiency as defined in Section 3.0, 4) All source test data conducted pursuant to Section 4.6.2 shall be submitted to the District with 60 days thereafter, 5) The operator shall maintain an Inspection Log pursuant to Section 6.4, 6) All records of each calibration of the portable hydrocarbon detection instrument shall be maintained, including a copy of the current calibration gas certification from the vendor, the date of calibration, the concentration of the calibration gas, the instrument reading of the calibration before and after adjustment, the calibration gas expiration date and the calibration gas cylinder pressure at the time of calibration, 7) Records of the facility training records shall be maintained of the training program operated pursuant to Section 6.5, 8) A copy of the APCO-approved Operator Management Plan shall be maintained. 9) A list of all gauge tanks shall be submitted to the District including the size, identification number, the location of each gauge tank and specify whether the gauge tank is upstream of all front line production equipment, 10) Records of results of all gauge tank TVP testing conducted pursuant to Section 6.2.5 shall be submitted to the District within 60 days thereafter, 11) Any operator that has discovered that a pressure regulating device has released shall record the date that the release was discovered along with the identity and location of the release. All such records shall be submitted to the District within 60 days after the end of the calendar year. [District Rule 4401, 6.1] Federally Enforceable Through Title V Permit
40. The control efficiency of any VOC control device, measured and calculated as carbon, shall be determined by EPA Method 25, except when the concentration must be below 50 ppmv, in which case EPA Method 25a may be used. EPA Method 18 may be used instead, providing the requirements under Section 6.3.1 are met. [District Rule 4401, 6.3] Federally Enforceable Through Title V Permit
41. VOC content shall be analyzed using the latest revision of ASTM Method E-168, E169 or E260 as applicable. Analysis of halogenated exempt compounds shall be performed using ARB Method 432. [District Rule 4401, 6.3] Federally Enforceable Through Title V Permit
42. Leak inspection, other than audio-visual, and measurements of gaseous leak concentrations shall be conducted according to EPA Method 21 using an appropriate portable hydrocarbon detection instrument calibrated with methane. The instrument shall be calibrated in accordance with the procedures specified in EPA Method 21 or the manufacturer's instruction, as appropriate, not more than 30 days prior to its use. The operator shall record the calibration date of the instrument. Where safety is a concern, such as measuring leaks from compressor seals or pump seals when the shaft is rotating, a person shall measure leaks by placing the instrument probe inlet at a distance of one (1) centimeter or less from the surface of the component interface. [District Rule 4401, 6.3] Federally Enforceable Through Title V Permit
43. For the purpose of Section 4.6.2, the VOC mass emission rate shall be determined according to the procedures described in the document USEPA-909/9-81-003, "Assessment of VOC Emissions from Well Vents Associated with Thermally Enhanced Oil Recovery". [District Rule 4401, 6.3] Federally Enforceable Through Title V Permit
44. The VOC content by weight percent shall be determined using ASTM D1945 for gases and SCAQMD Method 304-91 or the latest revision of ASTM Method E169, E169 or E260 for liquids. [District Rule 4401, 6.3] Federally Enforceable Through Title V Permit

PERMIT UNIT REQUIREMENTS CONTINUE ON NEXT PAGE
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45. The operator shall maintain an inspection log in which the operator records at least all of the following information for each inspection performed: 1) The total number of components inspected, and the total number and percentage of leaking components found by component type, 2) The location, type and name or description of each leaking component and description of any unit where the leaking component is found, 3) The date of leak detection and the method of leak detection, 4) For gaseous leaks, the leak concentration in ppmv and, for liquids leaks, whether the leak is major or minor, 5) The date of repair, replacement or removal from operation of leaking components, 6) The identity and location of essential components and critical components as defined in this Rule, found leaking, that cannot be repaired until the next process unit turnaround or not later than one year after leak detection, whichever comes earlier, 7) The methods used to minimize the leak from essential components and critical components found leaking that cannot be repaired until the next process unit turnaround or not later than 1 year after detection, whichever comes earlier, 8) The date or re-inspection and the leak concentration in ppmv after the component is repaired or replaced, 9) The inspectors name, business mailing address, and business telephone number, and 10) The date and signature of the facility operator responsible for the inspection and repair program certifying the accuracy of the information recorded in the log. [District Rule 4401, 6.4] Federally Enforceable Through Title V Permit
46. The operator shall establish and implement an employee training program for inspecting and repairing components and recordkeeping procedures as necessary. [District Rule 4401, 6.5] Federally Enforceable Through Title V Permit
47. The operator shall submit an Operator Management Plan for approval by the District that shall include all of the following: 1) A description of all wells and all associated VOC collection and control systems subject to this rule, and all wells and all associated VOC collection and control systems that are exempt pursuant to Section 4.0 of this rule. 2) Identification and description of any known hazard that might affect the safety of an inspector, 3) Except for pipes, the number of components that are subject to this Rule by component type, 4) Except for pipes, the number and types of major components, inaccessible components, unsafe-to-monitor components, critical components, and essential components, 5) Except for pipes, the location of components subject to this Rule, 6) Except for pipes, components exempt pursuant to Section 4.8 (except for components buried below ground) may be described in the Operator Management Plan by grouping them functionally by process unit or facility description. The results of any laboratory testing or other pertinent information to demonstrate compliance with the applicable exemption criteria for components for which an exemption is being claimed pursuant to Sections 4.8 shall be submitted with the Operator Management Plan. 7) A detailed schedule of inspections of components to be conducted as required by this Rule and whether the operator inspections of components required by this Rule will be performed by a qualified contractor or in-house team, 8) A description of training standards for personnel that inspect and repair components, 9) A description of leak detection training for conducting the test method specified in Section 6.3.3 for new operators, and experienced operators as necessary. [District Rule 4401, 6.6] Federally Enforceable Through Title V Permit
48. By January 30 of each year, an operator shall submit to the APCO for approval, in writing, an annual report indicating any changes to an existing Operator Management Plan. [District Rule 4401, 6.7] Federally Enforceable Through Title V Permit
49. The APCO shall provide written notice to the operator of the approval or incompleteness of a new or revised Operator Management Plan within 60 days of receiving such Operator Management Plan. If the APCO fails to respond in writing within 60 days after the date of receiving the Operator Management Plan, it shall be deemed approved. No provision of the Operator Management Plan, approved or not, shall conflict with or take precedence over any provision of this rule. [District Rule 4401, 6.8] Federally Enforceable Through Title V Permit
50. The operator of any new steam-enhanced crude oil production well, or any nonsteam-enhanced crude oil production well converted to a steam-enhanced crude oil production well, which commences steam-enhancement operations on or after April 11, 1991, shall comply with the requirements of this rule and the applicable permit requirements of Rule 2201 (New and Modified Stationary Source Review Rule) before steam injection and no later than the first detectable flow at the casing vent. [District Rule 4401, 7.1] Federally Enforceable Through Title V Permit
51. Steam-enhanced crude oil production wells and components that are exempt pursuant to Section 4.3, 4.4, 4.5, 4.8 or 4.9 that become subject to this rule through loss of exemption status shall not be operated until such time that they are in full compliance with the requirements of this rule. [District Rule 4401, 7.2] Federally Enforceable Through Title V Permit

These terms and conditions are part of the Facility-wide Permit to Operate.

DRAFT

ATTACHMENT B

Authorities to Construct No.
(S-3755-12-13)



AUTHORITY TO CONSTRUCT

PERMIT NO: S-3755-12-13

ISSUANCE DATE: 12/18/2012

LEGAL OWNER OR OPERATOR: SENECA RESOURCES
MAILING ADDRESS: 2131 MARS COURT
BAKERSFIELD, CA 93308

LOCATION: HEAVY OIL WESTERN

SECTION: 18 **TOWNSHIP:** 11N **RANGE:** 23W

EQUIPMENT DESCRIPTION:

MODIFICATION OF THERMALLY ENHANCED OIL RECOVERY (TEOR) OPERATION WITH 100 CYCLIC WELLS SERVED BY A CASING VENT VAPOR CONTROL SYSTEM WITH LIQUID KNOCKOUT(S), HEAT EXCHANGER(S), SULFA TREAT CONTACTOR VESSEL(S), AND COMPRESSOR(S): ADD 100 CYCLIC WELLS

CONDITIONS

1. The facility shall submit an application to modify the Title V permit in accordance with the timeframes and procedures of District Rule 2520. [District Rule 2520] Federally Enforceable Through Title V Permit
2. All equipment shall be maintained in good operating condition and shall be operated in a manner to minimize emissions of air contaminants into the atmosphere. [District Rule 2201] Federally Enforceable Through Title V Permit
3. All emissions units shall always operate at least 2,900 feet away away from the nearest receptor. [District Rule 2201] Federally Enforceable Through Title V Permit
4. Steam enhanced wells shall only be located in the east half of Section 13, T11N, R24W and Sections 7, 18, 19, and 20 T11N, R23W. [District Rule 2201] Federally Enforceable Through Title V Permit
5. Steam generators S-2891-1 and S-2891-2 shall not be located in Section 7, T11N, R23W and SE Section 13, T11N, R24W. [District Rule 2201] Federally Enforceable Through Title V Permit
6. Un-condensable vapors from steam enhanced wells located in east half of Section 13, T11N, R24W and Sections 7, 18, 19, and 20 T11N, R23W shall be incinerated at steam generators (S-2891-1, S-2891-2, S-3755-11 and S-3755-19) and/or flare (S-3755-10). [District Rule 2201] Federally Enforceable Through Title V Permit
7. Sulfatreat vessels shall operated and maintained to achieve 95% by weight removal of sulfur compounds from TEOR gas. [District Rule 2201] Federally Enforceable Through Title V Permit

CONDITIONS CONTINUE ON NEXT PAGE

YOU MUST NOTIFY THE DISTRICT COMPLIANCE DIVISION AT (661) 392-5500 WHEN CONSTRUCTION IS COMPLETED AND PRIOR TO OPERATING THE EQUIPMENT OR MODIFICATIONS AUTHORIZED BY THIS AUTHORITY TO CONSTRUCT. This is NOT a PERMIT TO OPERATE. Approval or denial of a PERMIT TO OPERATE will be made after an inspection to verify that the equipment has been constructed in accordance with the approved plans, specifications and conditions of this Authority to Construct, and to determine if the equipment can be operated in compliance with all Rules and Regulations of the San Joaquin Valley Unified Air Pollution Control District. Unless construction has commenced pursuant to Rule 2050, this Authority to Construct shall expire and application shall be cancelled two years from the date of issuance. The applicant is responsible for complying with all laws, ordinances and regulations of all other governmental agencies which may pertain to the above equipment.

Seyed Sadredin, Executive Director / APCO

8. Fugitive VOC emissions from this Casing Vapor Control System (CVCS) shall not exceed 18.3 lb/day. [District Rule 2201] Federally Enforceable Through Title V Permit
9. The inspection requirements of Section 5.4.1 through Section 5.4.7 of Rule 4401 shall not apply to components exclusively handling gas/vapor or liquid with a VOC content of ten percent by weight (10%) or less, as determined by the test methods in Section 6.3.4 of Rule 4401. [District Rule 4401, 4.7] Federally Enforceable Through Title V Permit
10. VOC content of hydrocarbons in gas processed from steam enhanced wells approved by ATC S-3755-12-13 shall not exceed 10% by weight. Permittee shall sample and record the VOC content of hydrocarbons at least once every 12 months. [District Rules 1070 and 2201] Federally Enforceable Through Title V Permit
11. VOC content of hydrocarbons in gas processed from steam enhanced wells located in Section 7, T11N, R23W shall not exceed 10% by weight. Permittee shall sample and record the VOC content of hydrocarbons at least once every 12 months. [District Rules 1070 and 2201] Federally Enforceable Through Title V Permit
12. VOC content of hydrocarbons in gas processed from steam enhanced wells located in the east half of Section 13, T11N, R24W shall not exceed 50% by weight. Permittee shall sample and record the VOC content of hydrocarbons at least once every 12 months. [District Rules 1070 and 2201] Federally Enforceable Through Title V Permit
13. VOC content of hydrocarbons in gas processed from steam enhanced wells located in Section 18, T11N, R23W shall not exceed 16% by weight. Permittee shall sample and record the VOC content of hydrocarbons at least once every 12 months. [District Rules 1070 and 2201] Federally Enforceable Through Title V Permit
14. VOC content of hydrocarbons in gas processed in the Section 18 CVCS site shall not exceed 16% by weight. Permittee shall sample and record the VOC content of hydrocarbons at least once every 12 months. [District Rules 1070 and 2201] Federally Enforceable Through Title V Permit
15. VOC content of hydrocarbons in gas processed from steam enhanced wells located in Sections 19 and 20, T11N, R23W shall not exceed 10% by weight. Permittee shall sample and record the VOC content of hydrocarbons at least once every 12 months. [District Rules 1070 and 2201] Federally Enforceable Through Title V Permit
16. VOC content of gas shall be determined by ASTM D1945, EPA Method 18 referenced as methane, or equivalent test method with prior District approval. [District Rule 2201] Federally Enforceable Through Title V Permit
17. Any component leak shall be repaired to a leak-free condition, or vented to a flare satisfying the requirements of 40 CFR 60.18, or to a vapor control device that is at least 95 percent efficient as measured by EPA Method 25 within fifteen (15) calendar days of detection. The APCO may grant a ten (10) calendar day extension provided the operator demonstrates necessary and sufficient actions are being taken to correct the leak within this time period. [District Rule 4401, 6.2] Federally Enforceable Through Title V Permit
18. During the time any steam-enhanced crude oil production well is undergoing service or repair while the well is not producing, it shall be exempt from the emission control requirements of District Rule 4401. [District Rule 4401, 4.1]
19. All records shall be retained for a period of at least 5 years and shall be made available for District inspection upon request [District Rule 1070 and 4401, 6.1] Federally Enforceable Through Title V Permit
20. An operator shall not operate a steam-enhanced crude oil production well unless either of the following two conditions are met: 1) The steam-enhanced crude oil production well vent is closed and the front line production equipment downstream of the wells that carry produced fluids is connected to a VOC collection and control system as defined in Section 3.0 of this Rule or 2) the steam-enhanced crude oil production well vent is open and the well vent is connected to a VOC collection and control system as defined in Section 3.0. [District Rule 4401, 5.1] Federally Enforceable Through Title V Permit
21. An operator shall be in violation of this rule if any District inspection demonstrates or if any operator inspection conducted pursuant to Section 5.8 of Rule 4401 demonstrates the existence of an open-ended line or a valve located at the end of the line that is not sealed with a blind flange, plug, cap, or a second closed valve that is not closed at all times, except during attended operations as defined by Section 5.6.2.1 of Rule 4401 requiring process fluid flow through the open-ended lines, a component with a major liquid leak, or a component with a gas leak greater than 50,000 ppmv. [District Rule 4401, 5.2] Federally Enforceable Through Title V Permit

22. An operator shall be in violation of this rule if any District inspection demonstrates or if any operator inspection conducted pursuant to Section 5.4 of Rule 4401 demonstrates the existence of any combination of components with minor liquid leaks, minor gas leaks, or a gas leaks greater than 10,000 ppmv up to 50,000 ppmv that totals more than number of leaks allowed by Table 2 of Rule 4401. [District Rule 4401, 5.2] Federally Enforceable Through Title V Permit
23. No leaking components (as defined in Section 5.6.2 of Rule 4401) may be used unless they have been identified with a tag for repair, are repaired, or awaiting re-inspection after being repaired within the applicable time frame specified in Section 5.5. [District Rule 4401, 5.3] Federally Enforceable Through Title V Permit
24. Each hatch shall be closed at all times except during attended repair, replacement, or maintenance operations, providing such activities are done as expeditiously as possible with minimal spillage or material and VOC emissions into the atmosphere. [District Rule 4401, 5.3] Federally Enforceable Through Title V Permit
25. The operator shall comply with the requirements of Section 6.7 if there is any change in the description of major components or critical components. [District Rule 4401, 5.3] Federally Enforceable Through Title V Permit
26. Unless otherwise specified in Section 5.8, an operator shall perform all component inspections and gas leak measurements pursuant to the requirements of Section 6.3.3. [District Rule 4401, 5.4] Federally Enforceable Through Title V Permit
27. Except for pipes and unsafe-to-monitor components, an operator shall inspect all other components pursuant to the requirements of Section 6.3.3 at least once every year. [District Rule 4401, 5.4] Federally Enforceable Through Title V Permit
28. An operator shall visually inspect all pipes at least once every year. Any visual inspection of pipes that indicates a leak that cannot be immediately repaired to meet the leak standards of this rule shall be inspected within 24 hours after detecting the leak. If a leak is found, the leak shall be repaired as soon as practicable but not later than the time frame specified in Table 4 of this Rule. [District Rule 4401, 5.4] Federally Enforceable Through Title V Permit
29. In addition to the inspections required by Section 5.4.1 of Rule 4401, an operator shall inspect for leaks all accessible operating pumps, compressors, and PRDs in service as follows: An operator shall audio-visually (by hearing and by sight) inspect for leaks all accessible operating pumps, compressors, and PRDs in service at least once each calendar week. Any audio-visual inspection of an accessible operating pump, compressor, and PRD performed by an operator that indicates a leak that cannot be immediately repaired to meet the leak standards of this rule shall be inspected not later than 24 hours after conducting the audio-visual inspection. If a leak is found, the leak shall be repaired as soon as practicable but not later than the time frame specified in Table 3 of Rule 4401. [District Rule 4401, 5.4.3]
30. The operator shall also perform the following inspections: 1) An operator shall initially inspect a PRD that releases to the atmosphere as soon as practicable but not later than 24 hours after the discovery of the release. An operator shall re-inspect the PRD not earlier than 24 hours after the initial inspection but not later than 15 calendar days after the initial inspection. 2) An operator shall inspect all new, replaced, or repaired fittings, flanges, and threaded connections within 72 hours of placing the component in service, and 3) Except for PRDs subject to the requirements of Section 5.8.4.1 of this Rule, an operator shall inspect a component that has been repaired or replaced not later than 15 calendar days after the component was repaired or replaced. [District Rule 4401, 5.4] Federally Enforceable Through Title V Permit
31. An operator shall inspect all unsafe-to-monitor components during each turnaround. [District Rule 4401, 5.4] Federally Enforceable Through Title V Permit
32. A District inspection in no way fulfills any of the mandatory inspection requirements that are placed upon operators and cannot be used or counted as an inspection required of an operator. [District Rule 4401, 5.4] Federally Enforceable Through Title V Permit
33. Upon detection of a leak, an operator shall affix a readily visible weatherproof tag to that leaking component that includes the following information: 1) The date and time of leak detection; 2) The date and time of the leak measurement; 3) For a gaseous leak, the leak concentration in ppmv; 4) For a liquid leak, whether it is a major or minor liquid leak; and 5) Whether the component is an essential component, and unsafe-to-monitor component, or a critical component. [District Rule 4401, 5.5] Federally Enforceable Through Title V Permit

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34. The tag shall remain affixed to the leaky component until all the following requirements are met: 1) The component is repaired or replaced, 2) The component is re-inspected as set forth in Section 6.3, and 3) The component is found to be in compliance with this Rule. [District Rule 4401, 5.5] Federally Enforceable Through Title V Permit
35. An operator shall minimize a component leak in order to stop or reduce leakage to the atmosphere immediately to the extent possible, but not later than one (1) hour after detection of the leak. [District Rule 4401, 5.5] Federally Enforceable Through Title V Permit
36. Except for leaking critical components or leaking essential components subject to the requirements of Section 5.9.7, if an operator has minimized a leak but the leak still exceeds the applicable leak limits as defined in Section 3.0, an operator shall comply with at least one of the following three requirements as soon as practicable but not later than the time period specified in Table 4: 1) Repair or replace the leaking component, 2) Vent the leaking component to a VOC collection and control system as defined in Section 3.0, or 3) Remove the leaking component from operation. [District Rule 4401, 5.5] Federally Enforceable Through Title V Permit
37. The leak rate measured after leak minimization has been performed shall be the leak rate used to determine the applicable repair period specified in Table 4. [District Rule 4401] Federally Enforceable Through Title V Permit
38. The time of the initial leak detection shall be the start of the repair period specified in Table 4. [District Rule 4401, 5.5] Federally Enforceable Through Title V Permit
39. If the leaking component is an essential component or a critical component that cannot be immediately shut down for repairs, and if the leak has been minimized but the leak still exceeds the applicable leak standard of this rule, the operator shall repair or replace the essential component or critical component to eliminate the leak during the next process unit turnaround, but in no case later than one year from the date of the original leak detection, whichever comes earlier. [District Rule 4401, 5.5] Federally Enforceable Through Title V Permit
40. The following records shall be retained for a period of five years and made available for District inspection upon request. 1) The dates and well identification where steam injection occurs, 2) Monthly records of county-specific crude oil production as set forth by the California Division of Oil, Gas and Geothermal Resources, For the purpose of this rule, the monthly crude oil production records required by the California Division of Oil, Gas, and Geothermal Resources may be used to satisfy this requirement, 3) All source test records which demonstrate compliance with the VOC collection and control efficiency as defined in Section 3.0, 4) All source test data conducted pursuant to Section 4.6.2 shall be submitted to the District with 60 days thereafter, 5) The operator shall maintain an Inspection Log pursuant to Section 6.4, 6) All records of each calibration of the portable hydrocarbon detection instrument shall be maintained, including a copy of the current calibration gas certification from the vendor, the date of calibration, the concentration of the calibration gas, the instrument reading of the calibration before and after adjustment, the calibration gas expiration date and the calibration gas cylinder pressure at the time of calibration, 7) Records of the facility training records shall be maintained of the training program operated pursuant to Section 6.5, 8) A copy of the APCO-approved Operator Management Plan shall be maintained. 9) A list of all gauge tanks shall be submitted to the District including the size, identification number, the location of each gauge tank and specify whether the gauge tank is upstream of all front line production equipment, 10) Records of results of all gauge tank TVP testing conducted pursuant to Section 6.2.5 shall be submitted to the District within 60 days thereafter, 11) Any operator that has discovered that a pressure regulating device has released shall record the date that the release was discovered along with the identity and location of the release. All such records shall be submitted to the District within 60 days after the end of the calendar year. [District Rule 4401, 6.1] Federally Enforceable Through Title V Permit
41. The control efficiency of any VOC control device, measured and calculated as carbon, shall be determined by EPA Method 25, except when the concentration must be below 50 ppmv, in which case EPA Method 25a may be used. EPA Method 18 may be used instead, providing the requirements under Section 6.3.1 are met. [District Rule 4401, 6.3] Federally Enforceable Through Title V Permit
42. VOC content shall be analyzed using the latest revision of ASTM Method E-168, E169 or E260 as applicable. Analysis of halogenated exempt compounds shall be performed using ARB Method 432. [District Rule 4401, 6.3] Federally Enforceable Through Title V Permit

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43. Leak inspection, other than audio-visual, and measurements of gaseous leak concentrations shall be conducted according to EPA Method 21 using an appropriate portable hydrocarbon detection instrument calibrated with methane. The instrument shall be calibrated in accordance with the procedures specified in EPA Method 21 or the manufacturer's instruction, as appropriate, not more than 30 days prior to its use. The operator shall record the calibration date of the instrument. Where safety is a concern, such as measuring leaks from compressor seals or pump seals when the shaft is rotating, a person shall measure leaks by placing the instrument probe inlet at a distance of one (1) centimeter or less from the surface of the component interface. [District Rule 4401, 6.3] Federally Enforceable Through Title V Permit
44. For the purpose of Section 4.6.2, the VOC mass emission rate shall be determined according to the procedures described in the document USEPA-909/9-81-003, "Assessment of VOC Emissions from Well Vents Associated with Thermally Enhanced Oil Recovery". [District Rule 4401, 6.3] Federally Enforceable Through Title V Permit
45. The VOC content by weight percent shall be determined using ASTM D1945 for gasses and SCAQMD Method 304-91 or the latest revision of ASTM Method E169, E169 or E260 for liquids. [District Rule 4401, 6.3] Federally Enforceable Through Title V Permit
46. The operator shall maintain an inspection log in which the operator records at least all of the following information for each inspection performed: 1) The total number of components inspected, and the total number and percentage of leaking components found by component type, 2) The location, type and name or description of each leaking component and description of any unit where the leaking component is found, 3) The date of leak detection and the method of leak detection, 4) For gaseous leaks, the leak concentration in ppmv and, for liquids leaks, whether the leak is major or minor, 5) The date of repair, replacement or removal from operation of leaking components, 6) The identity and location of essential components and critical components as defined in this Rule, found leaking, that cannot be repaired until the next process unit turnaround or not later than one year after leak detection, whichever comes earlier, 7) The methods used to minimize the leak from essential components and critical components found leaking that cannot be repaired until the next process unit turnaround or not later than 1 year after detection, whichever comes earlier, 8) The date or re-inspection and the leak concentration in ppmv after the component is repaired or replaced, 9) The inspectors name, business mailing address, and business telephone number, and 10) The date and signature of the facility operator responsible for the inspection and repair program certifying the accuracy of the information recorded in the log. [District Rule 4401, 6.4] Federally Enforceable Through Title V Permit
47. The operator shall establish and implement an employee training program for inspecting and repairing components and recordkeeping procedures as necessary. [District Rule 4401, 6.5] Federally Enforceable Through Title V Permit
48. The operator shall submit an Operator Management Plan for approval by the District that shall include all of the following: 1) A description of all wells and all associated VOC collection and control systems subject to this rule, and all wells and all associated VOC collection and control systems that are exempt pursuant to Section 4.0 of this rule. 2) Identification and description of any known hazard that might affect the safety of an inspector, 3) Except for pipes, the number of components that are subject to this Rule by component type, 4) Except for pipes, the number and types of major components, inaccessible components, unsafe-to-monitor components, critical components, and essential components, 5) Except for pipes, the location of components subject to this Rule, 6) Except for pipes, components exempt pursuant to Section 4.8 (except for components buried below ground) may be described in the Operator Management Plan by grouping them functionally by process unit or facility description. The results of any laboratory testing or other pertinent information to demonstrate compliance with the applicable exemption criteria for components for which an exemption is being claimed pursuant to Sections 4.8 shall be submitted with the Operator Management Plan. 7) A detailed schedule of inspections of components to be conducted as required by this Rule and whether the operator inspections of components required by this Rule will be performed by a qualified contractor or in-house team, 8) A description of training standards for personnel that inspect and repair components, 9) A description of leak detection training for conducting the test method specified in Section 6.3.3 for new operators, and experienced operators as necessary. [District Rule 4401, 6.6] Federally Enforceable Through Title V Permit
49. By January 30 of each year, an operator shall submit to the APCO for approval, in writing, an annual report indicating any changes to an existing Operator Management Plan. [District Rule 4401, 6.7] Federally Enforceable Through Title V Permit

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50. The APCO shall provide written notice to the operator of the approval or incompleteness of a new or revised Operator Management Plan within 60 days of receiving such Operator Management Plan. If the APCO fails to respond in writing within 60 days after the date of receiving the Operator Management Plan, it shall be deemed approved. No provision of the Operator Management Plan, approved or not, shall conflict with or take precedence over any provision of this rule. [District Rule 4401, 6.8] Federally Enforceable Through Title V Permit
51. The operator of any new steam-enhanced crude oil production well, or any nonsteam-enhanced crude oil production well converted to a steam-enhanced crude oil production well, which commences steam-enhancement operations on or after April 11, 1991, shall comply with the requirements of this rule and the applicable permit requirements of Rule 2201 (New and Modified Stationary Source Review Rule) before steam injection and no later than the first detectable flow at the casing vent. [District Rule 4401, 7.1] Federally Enforceable Through Title V Permit
52. Steam-enhanced crude oil production wells and components that are exempt pursuant to Section 4.3, 4.4, 4.5, 4.8 or 4.9 that become subject to this rule through loss of exemption status shall not be operated until such time that they are in full compliance with the requirements of this rule. [District Rule 4401, 7.2] Federally Enforceable Through Title V Permit

ATTACHMENT C

Existing Title V Operating Permit
(S-3755-12-12)

San Joaquin Valley Air Pollution Control District

PERMIT UNIT: S-3755-12-12

EXPIRATION DATE: 02/29/2016

SECTION: 18 **TOWNSHIP:** 11N **RANGE:** 23W

EQUIPMENT DESCRIPTION:

THERMALLY ENHANCED OIL RECOVERY (TEOR) OPERATION WITH 100 CYCLIC WELLS SERVED BY A CASING VENT VAPOR CONTROL SYSTEM WITH LIQUID KNOCKOUT(S), HEAT EXCHANGER(S), H2S SULFA TREAT CONTACTOR VESSEL(S), AND COMPRESSOR(S)

PERMIT UNIT REQUIREMENTS

1. All equipment shall be maintained in good operating condition and shall be operated in a manner to minimize emissions of air contaminants into the atmosphere. [District Rule 2201] Federally Enforceable Through Title V Permit
2. Steam enhanced wells shall only be located in the east half of Section 13, T11N, R24W and Sections 7, 18, 19, and 20 T11N, R23W. [District Rule 2201] Federally Enforceable Through Title V Permit
3. Steam generators S-2891-1 and S-2891-2 shall not be located in Section 7, T11N, R23W and SE Section 13, T11N, R24W. [District Rule 2201] Federally Enforceable Through Title V Permit
4. Un-condensable vapors from steam enhanced wells located in east half of Section 13, T11N, R24W and Sections 7, 18, 19, and 20 T11N, R23W shall be incinerated at steam generators (S-2891-1, S-2891-2, S-3755-11 and S-3755-19) and/or flare (S-3755-10). [District Rule 2201] Federally Enforceable Through Title V Permit
5. Sulfatreat vessels shall operated and maintained to achieve 95% by weight removal of sulfur compounds from TEOR gas. [District Rule 2201] Federally Enforceable Through Title V Permit
6. Fugitive VOC emissions from this Casing Vapor Control System (CVCS) shall not exceed 18.3 lb/day. [District Rule 2201] Federally Enforceable Through Title V Permit
7. VOC content of hydrocarbons in gas processed from steam enhanced wells located in Section 7, T11N, R23W shall not exceed 10% by weight. Permittee shall sample and record the VOC content of hydrocarbons at least once every 12 months. [District Rules 1070 and 2201] Federally Enforceable Through Title V Permit
8. VOC content of hydrocarbons in gas processed from steam enhanced wells located in the east half of Section 13, T11N, R24W shall not exceed 50% by weight. Permittee shall sample and record the VOC content of hydrocarbons at least once every 12 months. [District Rules 1070 and 2201] Federally Enforceable Through Title V Permit
9. VOC content of hydrocarbons in gas processed from steam enhanced wells located in Section 18, T11N, R23W shall not exceed 16% by weight. Permittee shall sample and record the VOC content of hydrocarbons at least once every 12 months. [District Rules 1070 and 2201] Federally Enforceable Through Title V Permit
10. VOC content of hydrocarbons in gas processed in the Section 18 CVCS site shall not exceed 16% by weight. Permittee shall sample and record the VOC content of hydrocarbons at lease once every 12 months. [District Rules 1070 and 2201] Federally Enforceable Through Title V Permit
11. VOC content of hydrocarbons in gas processed from steam enhanced wells located in Sections 19 and 20, T11N, R23W shall not exceed 10% by weight. Permittee shall sample and record the VOC content of hydrocarbons at least once every 12 months. [District Rules 1070 and 2201] Federally Enforceable Through Title V Permit
12. VOC content of gas shall be determined by ASTM D1945, EPA Method 18 referenced as methane, or equivalent test method with prior District approval. [District Rule 2201] Federally Enforceable Through Title V Permit

PERMIT UNIT REQUIREMENTS CONTINUE ON NEXT PAGE

These terms and conditions are part of the Facility-wide Permit to Operate.

13. Any component leak shall be repaired to a leak-free condition, or vented to a flare satisfying the requirements of 40 CFR 60.18, or to a vapor control device that is at least 95 percent efficient as measured by EPA Method 25 within fifteen (15) calendar days of detection. The APCO may grant a ten (10) calendar day extension provided the operator demonstrates necessary and sufficient actions are being taken to correct the leak within this time period. [District Rule 4401, 6.2] Federally Enforceable Through Title V Permit
14. All records shall be retained for a period of at least 5 years and shall be made available for District inspection upon request [District Rule 1070 and 4401, 6.1] Federally Enforceable Through Title V Permit
15. An operator shall not operate a steam-enhanced crude oil production well unless either of the following two conditions are met: 1) The steam-enhanced crude oil production well vent is closed and the front line production equipment downstream of the wells that carry produced fluids is connected to a VOC collection and control system as defined in Section 3.0 of this Rule or 2) the steam-enhanced crude oil production well vent is open and the well vent is connected to a VOC collection and control system as defined in Section 3.0. [District Rule 4401, 5.1] Federally Enforceable Through Title V Permit
16. An operator shall be in violation of this rule if any District inspection demonstrates or if any operator inspection conducted pursuant to Section 5.8 of Rule 4401 demonstrates the existence of an open-ended line or a valve located at the end of the line that is not sealed with a blind flange, plug, cap, or a second closed valve that is not closed at all times, except during attended operations as defined by Section 5.6.2.1 of Rule 4401 requiring process fluid flow through the open-ended lines, a component with a major liquid leak, or a component with a gas leak greater than 50,000 ppmv. [District Rule 4401, 5.2] Federally Enforceable Through Title V Permit
17. An operator shall be in violation of this rule if any District inspection demonstrates or if any operator inspection conducted pursuant to Section 5.8 of Rule 4401 demonstrates the existence of any combination of components with minor liquid leaks, minor gas leaks, or a gas leaks greater than 10,000 ppmv up to 50,000 ppmv that totals more than number of leaks allowed by Table 3 of Rule 4401. [District Rule 4401, 5.2] Federally Enforceable Through Title V Permit
18. No leaking components (as defined in Section 5.6.2 of Rule 4401) may be used unless they have been identified with a tag for repair, are repaired, or awaiting re-inspection after being repaired within the applicable time frame specified in Section 5.5. [District Rule 4401, 5.3] Federally Enforceable Through Title V Permit
19. Each hatch shall be closed at all times except during attended repair, replacement, or maintenance operations, providing such activities are done as expeditiously as possible with minimal spillage or material and VOC emissions into the atmosphere. [District Rule 4401, 5.3] Federally Enforceable Through Title V Permit
20. The operator shall comply with the requirements of Section 6.7 if there is any change in the description of major components or critical components. [District Rule 4401, 5.3] Federally Enforceable Through Title V Permit
21. Unless otherwise specified in Section 5.8, an operator shall perform all component inspections and gas leak measurements pursuant to the requirements of Section 6.3.3. [District Rule 4401, 5.4] Federally Enforceable Through Title V Permit
22. Except for pipes and unsafe-to-monitor components, an operator shall inspect all other components pursuant to the requirements of Section 6.3.3 at least once every year. [District Rule 4401, 5.4] Federally Enforceable Through Title V Permit
23. An operator shall visually inspect all pipes at least once every year. Any visual inspection of pipes that indicates a leak that cannot be immediately repaired to meet the leak standards of this rule shall be inspected within 24 hours after detecting the leak. If a leak is found, the leak shall be repaired as soon as practicable but not later than the time frame specified in Table 4 of this Rule. [District Rule 4401, 5.4] Federally Enforceable Through Title V Permit

PERMIT UNIT REQUIREMENTS CONTINUE ON NEXT PAGE

These terms and conditions are part of the Facility-wide Permit to Operate.

24. In addition to the inspections required by Section 5.8.1, an operator shall inspect for leaks all accessible operating pumps, compressors, and PRDs in service as follows: 1) An operator shall audio-visually (by hearing and by sight) inspect for leaks all accessible operating pumps, compressors, and PRDs in service at least once each calendar week. 2) Any audio-visual inspection of an accessible operating pump, compressor, and PRD performed by an operator that indicates a leak that cannot be immediately repaired to meet the leak standards of this rule shall be inspected not later than 24 hours after conducting the audio-visual inspection. If a leak is found, the leak shall be repaired as soon as practicable but not later than the time frame specified in Table 4 of this Rule. [District Rule 4401, 5.4] Federally Enforceable Through Title V Permit
25. The operator shall also perform the following inspections: 1) An operator shall initially inspect a PRD that releases to the atmosphere as soon as practicable but not later than 24 hours after the discovery of the release. An operator shall re-inspect the PRD not earlier than 24 hours after the initial inspection but not later than 15 calendar days after the initial inspection. 2) An operator shall inspect all new, replaced, or repaired fittings, flanges, and threaded connections within 72 hours of placing the component in service, and 3) Except for PRDs subject to the requirements of Section 5.8.4.1 of this Rule, an operator shall inspect a component that has been repaired or replaced not later than 15 calendar days after the component was repaired or replaced. [District Rule 4401, 5.4] Federally Enforceable Through Title V Permit
26. An operator shall inspect all unsafe-to-monitor components during each turnaround. [District Rule 4401, 5.4] Federally Enforceable Through Title V Permit
27. A District inspection in no way fulfills any of the mandatory inspection requirements that are placed upon operators and cannot be used or counted as an inspection required of an operator. [District Rule 4401, 5.4] Federally Enforceable Through Title V Permit
28. Upon detection of a leak, an operator shall affix a readily visible weatherproof tag to that leaking component that includes the following information: 1) The date and time of leak detection; 2) The date and time of the leak measurement; 3) For a gaseous leak, the leak concentration in ppmv; 4) For a liquid leak, whether it is a major or minor liquid leak; and 5) Whether the component is an essential component, and unsafe-to-monitor component, or a critical component. [District Rule 4401, 5.5] Federally Enforceable Through Title V Permit
29. The tag shall remain affixed to the leaky component until all the following requirements are met: 1) The component is repaired or replaced, 2) The component is re-inspected as set forth in Section 6.3, and 3) The component is found to be in compliance with this Rule. [District Rule 4401, 5.5] Federally Enforceable Through Title V Permit
30. An operator shall minimize a component leak in order to stop or reduce leakage to the atmosphere immediately to the extent possible, but not later than one (1) hour after detection of the leak. [District Rule 4401, 5.5] Federally Enforceable Through Title V Permit
31. Except for leaking critical components or leaking essential components subject to the requirements of Section 5.9.7, if an operator has minimized a leak but the leak still exceeds the applicable leak limits as defined in Section 3.0, an operator shall comply with at least one of the following three requirements as soon as practicable but not later than the time period specified in Table 4: 1) Repair or replace the leaking component, 2) Vent the leaking component to a VOC collection and control system as defined in Section 3.0, or 3) Remove the leaking component from operation. [District Rule 4401, 5.5] Federally Enforceable Through Title V Permit
32. The leak rate measured after leak minimization has been performed shall be the leak rate used to determine the applicable repair period specified in Table 4. [District Rule 4401] Federally Enforceable Through Title V Permit
33. The time of the initial leak detection shall be the start of the repair period specified in Table 4. [District Rule 4401, 5.5] Federally Enforceable Through Title V Permit
34. If the leaking component is an essential component or a critical component that cannot be immediately shut down for repairs, and if the leak has been minimized but the leak still exceeds the applicable leak standard of this rule, the operator shall repair or replace the essential component or critical component to eliminate the leak during the next process unit turnaround, but in no case later than one year from the date of the original leak detection, whichever comes earlier. [District Rule 4401, 5.5] Federally Enforceable Through Title V Permit

PERMIT UNIT REQUIREMENTS CONTINUE ON NEXT PAGE

These terms and conditions are part of the Facility-wide Permit to Operate.

35. The following records shall be retained for a period of five years and made available for District inspection upon request. 1) The dates and well identification where steam injection occurs, 2) Monthly records of county-specific crude oil production as set forth by the California Division of Oil, Gas and Geothermal Resources, For the purpose of this rule, the monthly crude oil production records required by the California Division of Oil, Gas, and Geothermal Resources may be used to satisfy this requirement, 3) All source test records which demonstrate compliance with the VOC collection and control efficiency as defined in Section 3.0, 4) All source test data conducted pursuant to Section 4.6.2 shall be submitted to the District with 60 days thereafter, 5) The operator shall maintain an Inspection Log pursuant to Section 6.4, 6) All records of each calibration of the portable hydrocarbon detection instrument shall be maintained, including a copy of the current calibration gas certification from the vendor, the date of calibration, the concentration of the calibration gas, the instrument reading of the calibration before and after adjustment, the calibration gas expiration date and the calibration gas cylinder pressure at the time of calibration, 7) Records of the facility training records shall be maintained of the training program operated pursuant to Section 6.5, 8) A copy of the APCO-approved Operator Management Plan shall be maintained. 9) A list of all gauge tanks shall be submitted to the District including the size, identification number, the location of each gauge tank and specify whether the gauge tank is upstream of all front line production equipment, 10) Records of results of all gauge tank TVP testing conducted pursuant to Section 6.2.5 shall be submitted to the District within 60 days thereafter, 11) Any operator that has discovered that a pressure regulating device has released shall record the date that the release was discovered along with the identity and location of the release. All such records shall be submitted to the District within 60 days after the end of the calendar year. [District Rule 4401, 6.1] Federally Enforceable Through Title V Permit
36. The control efficiency of any VOC control device, measured and calculated as carbon, shall be determined by EPA Method 25, except when the concentration must be below 50 ppmv, in which case EPA Method 25a may be used. EPA Method 18 may be used instead, providing the requirements under Section 6.3.1 are met. [District Rule 4401, 6.3] Federally Enforceable Through Title V Permit
37. VOC content shall be analyzed using the latest revision of ASTM Method E-168, E169 or E260 as applicable. Analysis of halogenated exempt compounds shall be performed using ARB Method 432. [District Rule 4401, 6.3] Federally Enforceable Through Title V Permit
38. Leak inspection, other than audio-visual, and measurements of gaseous leak concentrations shall be conducted according to EPA Method 21 using an appropriate portable hydrocarbon detection instrument calibrated with methane. The instrument shall be calibrated in accordance with the procedures specified in EPA Method 21 or the manufacturer's instruction, as appropriate, not more than 30 days prior to its use. The operator shall record the calibration date of the instrument. Where safety is a concern, such as measuring leaks from compressor seals or pump seals when the shaft is rotating, a person shall measure leaks by placing the instrument probe inlet at a distance of one (1) centimeter or less from the surface of the component interface. [District Rule 4401, 6.3] Federally Enforceable Through Title V Permit
39. For the purpose of Section 4.6.2, the VOC mass emission rate shall be determined according to the procedures described in the document USEPA-909/9-81-003, "Assessment of VOC Emissions from Well Vents Associated with Thermally Enhanced Oil Recovery". [District Rule 4401, 6.3] Federally Enforceable Through Title V Permit
40. The VOC content by weight percent shall be determined using ASTM D1945 for gasses and SCAQMD Method 304-91 or the latest revision of ASTM Method E169, E169 or E260 for liquids. [District Rule 4401, 6.3] Federally Enforceable Through Title V Permit

PERMIT UNIT REQUIREMENTS CONTINUE ON NEXT PAGE
These terms and conditions are part of the Facility-wide Permit to Operate.

41. The operator shall maintain an inspection log in which the operator records at least all of the following information for each inspection performed: 1) The total number of components inspected, and the total number and percentage of leaking components found by component type, 2) The location, type and name or description of each leaking component and description of any unit where the leaking component is found, 3) The date of leak detection and the method of leak detection, 4) For gaseous leaks, the leak concentration in ppmv and, for liquids leaks, whether the leak is major or minor, 5) The date of repair, replacement or removal from operation of leaking components, 6) The identity and location of essential components and critical components as defined in this Rule, found leaking, that cannot be repaired until the next process unit turnaround or not later than one year after leak detection, whichever comes earlier, 7) The methods used to minimize the leak from essential components and critical components found leaking that cannot be repaired until the next process unit turnaround or not later than 1 year after detection, whichever comes earlier, 8) The date or re-inspection and the leak concentration in ppmv after the component is repaired or replaced, 9) The inspectors name, business mailing address, and business telephone number, and 10) The date and signature of the facility operator responsible for the inspection and repair program certifying the accuracy of the information recorded in the log. [District Rule 4401, 6.4] Federally Enforceable Through Title V Permit
42. The operator shall establish and implement an employee training program for inspecting and repairing components and recordkeeping procedures as necessary. [District Rule 4401, 6.5] Federally Enforceable Through Title V Permit
43. The operator shall submit an Operator Management Plan for approval by the District that shall include all of the following: 1) A description of all wells and all associated VOC collection and control systems subject to this rule, and all wells and all associated VOC collection and control systems that are exempt pursuant to Section 4.0 of this rule. 2) Identification and description of any known hazard that might affect the safety of an inspector, 3) Except for pipes, the number of components that are subject to this Rule by component type, 4) Except for pipes, the number and types of major components, inaccessible components, unsafe-to-monitor components, critical components, and essential components, 5) Except for pipes, the location of components subject to this Rule, 6) Except for pipes, components exempt pursuant to Section 4.8 (except for components buried below ground) may be described in the Operator Management Plan by grouping them functionally by process unit or facility description. The results of any laboratory testing or other pertinent information to demonstrate compliance with the applicable exemption criteria for components for which an exemption is being claimed pursuant to Sections 4.8 shall be submitted with the Operator Management Plan. 7) A detailed schedule of inspections of components to be conducted as required by this Rule and whether the operator inspections of components required by this Rule will be performed by a qualified contractor or in-house team, 8) A description of training standards for personnel that inspect and repair components, 9) A description of leak detection training for conducting the test method specified in Section 6.3.3 for new operators, and experienced operators as necessary. [District Rule 4401, 6.6] Federally Enforceable Through Title V Permit
44. By January 30 of each year, an operator shall submit to the APCO for approval, in writing, an annual report indicating any changes to an existing Operator Management Plan. [District Rule 4401, 6.7] Federally Enforceable Through Title V Permit
45. The APCO shall provide written notice to the operator of the approval or incompleteness of a new or revised Operator Management Plan within 60 days of receiving such Operator Management Plan. If the APCO fails to respond in writing within 60 days after the date of receiving the Operator Management Plan, it shall be deemed approved. No provision of the Operator Management Plan, approved or not, shall conflict with or take precedence over any provision of this rule. [District Rule 4401, 6.8] Federally Enforceable Through Title V Permit
46. The operator of any new steam-enhanced crude oil production well, or any nonsteam-enhanced crude oil production well converted to a steam-enhanced crude oil production well, which commences steam-enhancement operations on or after April 11, 1991, shall comply with the requirements of this rule and the applicable permit requirements of Rule 2201 (New and Modified Stationary Source Review Rule) before steam injection and no later than the first detectable flow at the casing vent. [District Rule 4401, 7.1] Federally Enforceable Through Title V Permit
47. Steam-enhanced crude oil production wells and components that are exempt pursuant to Section 4.3, 4.4, 4.5, 4.8 or 4.9 that become subject to this rule through loss of exemption status shall not be operated until such time that they are in full compliance with the requirements of this rule. [District Rule 4401, 7.2] Federally Enforceable Through Title V Permit

These terms and conditions are part of the Facility-wide Permit to Operate.

ATTACHMENT D

Emissions Increases

	SSIPE (lb/yr)				
	NOx	VOC	CO	SOx	PM10
S-3755-12-13	0	0	0	0	0
TOTAL	0	0	0	0	0

ATTACHMENT D

Application

San Joaquin Valley Air Pollution Control District

www.valleyair.org

S-3755-12-14

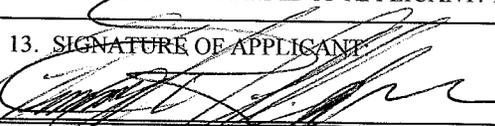
RECEIVED

MAR 04 2013

Permit Application For:

- AUTHORITY TO CONSTRUCT (ATC) - New Emission Unit
- AUTHORITY TO CONSTRUCT (ATC) - Modification Of Emission Unit With Valid PTO/Valid ATC
- AUTHORITY TO CONSTRUCT (ATC) - Renewal of Valid Authority to Construct
- PERMIT TO OPERATE (PTO) - Existing Emission Unit Now Requiring a Permit to Operate

Minor Mod. SJVAPCD Southern Region

1. PERMIT TO BE ISSUED TO: Seneca Resources	
2. MAILING ADDRESS: 2131 Mars Court, Bakersfield, CA 93308	
3. LOCATION WHERE THE EQUIPMENT WILL BE OPERATED: South Midway-Sunset Field, 25032 Western Minerals Road, Maricopa, CA 93252 1/4 SECTION 18 TOWNSHIP 11N RANGE 23W	WITHIN 1,000 FT OF A SCHOOL? <input type="checkbox"/> YES <input checked="" type="checkbox"/> NO S.I.C. CODE(S) OF FACILITY (If known): 1311
4. GENERAL NATURE OF BUSINESS: oil-gas exploration and production	INSTALL DATE: N.A.
5. TITLE V PERMIT HOLDERS ONLY: Do you request a COC (EPA Review) prior to receiving your ATC (If yes, please complete and attach a Compliance Certification form (TVFORM-009))?	
[X] YES [] NO	
6. DESCRIPTION OF EQUIPMENT OR MODIFICATION FOR WHICH APPLICATION IS MADE (include Permit #'s if known, and use additional sheets if necessary) With regard to Permit Unit S-3755-12, complete the requested revisions to the permit conditions for Project S-1121806.	
7. PERMIT REVIEW PERIOD: Do you request a three- or ten-day period to review the draft Authority to Construct permit? Please note that checking "YES" will delay issuance of your final permit by a corresponding number of working days. See instructions for more information on this review process.	
[] 3-day review [X] 10-day review [] No review requested	
8. HAVE YOU EVER APPLIED FOR AN ATC OR PTO IN THE PAST? <input checked="" type="checkbox"/> YES [] NO If yes, ATC/PTO #: S-1114	Optional Section 11. DO YOU WANT TO PARTICIPATE IN EITHER OF THE FOLLOWING VOLUNTARY PROGRAMS: "HEALTHY AIR LIVING (HAL)" <input type="checkbox"/> Yes, please send info "INSPECT" <input type="checkbox"/> Yes, please send info  
9. IS THIS APPLICATION FOR THE CONSTRUCTION OF A NEW FACILITY? <input type="checkbox"/> YES [X] NO (If "Yes" is checked, please complete the CEQA Information form)	
10. IS THIS APPLICATION SUBMITTED AS THE RESULT OF EITHER A NOTICE OF VIOLATION OR A NOTICE TO COMPLY? <input type="checkbox"/> YES [X] NO If yes, NOV/NTC #:	
12. TYPE OR PRINT NAME OF APPLICANT: Timothy R. Alburger	TITLE OF APPLICANT: EHS Manager
13. SIGNATURE OF APPLICANT: 	DATE: 03.04.13
FOR APCD USE ONLY:	
PHONE #: 661.399.4270, ext. 3544 FAX #: 661.399.7706 E-MAIL: alburgert@srcx.com	

Seneca Resources Corp. West

DATE STAMP:	FILING FEE RECEIVED: \$ <u>71-</u> CHECK #: <u>2012336</u>
	DATE PAID: <u>3/4/13</u>
	PROJECT #: <u>S-1130599</u> FACILITY ID: <u>S-3755</u>

TV MM

ATTACHMENT E

Compliance Certification Form

