



San Joaquin Valley

AIR POLLUTION CONTROL DISTRICT

JUN 05 2012

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

**Re: Final - Authority to Construct / Certificate of Conformity (Minor Mod)
Project # 1120070**

Dear Mr. Rios:

The Air Pollution Control Officer has issued an Authority to Construct (S-3755-11-8) with a Certificate of Conformity to Seneca Western Minerals Corp. The project authorizes additional locations of operation and modifications of permit conditions of a steam generator for Rule 4320 compliance.

Enclosed are copies of the Authority to Construct. The application and proposal were sent to US EPA Region IX on April 24, 2012. No comments were received following the District's preliminary decision on this project.

Please note that the following two conditions were required by the Health Risk Assessment but were erroneously not included on the proposed ATC:

5. *The exhaust stack shall vent vertically upward. The vertical exhaust flow shall not be impeded by a rain cap (flapper ok), roof overhang, or any other obstruction. [District Rule 4102] N*
6. *Unit shall not operate within 2,500 feet of the nearest receptor. [District Rule 4102] N*

The above conditions were added to the final ATC.

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

Sincerely,

David Warner
Director of Permit Services

Enclosures
rue

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

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



San Joaquin Valley

AIR POLLUTION CONTROL DISTRICT

JUN 05 2012

Mr. Timothy Alburger
Seneca Western Minerals Corp
2131 Mars Court
Bakersfield, CA 93308

**Re: Final - Authority to Construct / Certificate of Conformity (Minor Mod)
Project # 1120070**

Dear Mr. Alburger:

The Air Pollution Control Officer has issued an Authority to Construct (S-3755-11-8) with a Certificate of Conformity to Seneca Western Minerals Corp. The project authorizes additional locations of operation and modifications of permit conditions of a steam generator for Rule 4320 compliance.

Enclosed is the Authority to Construct (ATC) and invoice. The application and proposal were sent to US EPA Region IX on April 24, 2012. No comments were received following the District's preliminary decision on this project.

Please note that the following two conditions were required by the Health Risk Assessment but were erroneously not included on the proposed ATC:

5. *The exhaust stack shall vent vertically upward. The vertical exhaust flow shall not be impeded by a rain cap (flapper ok), roof overhang, or any other obstruction. [District Rule 4102] N*
6. *Unit shall not operate within 2,500 feet of the nearest receptor. [District Rule 4102] N*

The above conditions were added to the final ATC.

Prior to operating with modifications authorized by the Authority to Construct, you must submit an application to modify the Title V permit as an administrative amendment in accordance with District Rule 2520, Section 11.5.

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

Sincerely,

David Warner
Director of Permit Services

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San Joaquin Valley
AIR POLLUTION CONTROL DISTRICT

Due Date
8/6/2012

Amount Due
\$ 2,480.50

Amount Enclosed

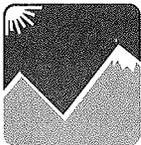
ATCFEE S1120070
3755 S100673 6/5/2012

RETURN THIS TOP PORTION ONLY, WITH REMITTANCE TO:

SENECA WESTERN MINERALS CORP.
2131 MARS CT
BAKERSFIELD, CA 93308

SJVAPCD
34946 Flyover Court
Bakersfield, CA 93308

Thank You!



San Joaquin Valley
AIR POLLUTION CONTROL DISTRICT

SJVAPCD Tax ID: 77-0262563

Facility ID
S3755

Invoice Date
6/5/2012

Invoice Number
S100673

Invoice Type
Project: S1120070

SENECA WESTERN MINERALS CORP.
HEAVY OIL WESTERN

PROJECT NUMBER: 1120070

APPLICATION FILING FEES	\$ 71.00
ENGINEERING TIME FEES	\$ 2,480.50
TOTAL FEES	\$ 2,551.50
LESS PREVIOUSLY PAID PROJECT FEES APPLIED TO THIS INVOICE	(\$ 71.00)
PROJECT FEES DUE (Enclosed is a detailed statement outlining the fees for each item.)	\$ 2,480.50

Late Payment (see Rule 3010, Section 11.0 Late Fees)	
Postmarked	Total Due
After 8/6/2012 through 8/16/2012	\$ 2,728.55
After 8/16/2012	\$ 3,720.75
After 9/5/2012	Permits To Operate MAY BE SUSPENDED

San Joaquin Valley Air Pollution Control District
34946 Flyover Court, Bakersfield, CA 93308, (661) 392-5500, Fax (661) 392-5585

Invoice Detail

Facility ID: S3755

SENECA WESTERN MINERALS CORP.
HEAVY OIL WESTERN

Invoice Nbr: S100673
Invoice Date: 6/5/2012
Page: 1

Application Filing Fees

Project Nbr	Permit Number	Description	Application Fee
S1120070	S-3755-11-8	MODIFICATION OF 20 MMBTU/HR TEOR GAS AND NATURAL GAS-FIRED STEAM GENERATOR WITH NORTH AMERICAN MAGNA-FLAME LE MODEL 4211-21/X1288 LOW NOX BURNER: TUNE BURNER AND/OR ADD FGR TO ACHIEVE 9 PPMV NOX FOR RULE 4320, AUTHORIZE TO OPERATE AT VARIOUS SPECIFIED LOCATIONS IN SENECA'S HOWSS, REVISE SULFUR AND NOX LIMITS FOR RULE 4320 COMPLIANCE	\$ 71.00
Total Application Filing Fees:			\$ 71.00

Engineering Time Fees

Project Nbr	Quantity	Rate	Description	Fee
S1120070	24.3 hours	\$ 105.00 /h	Standard Engineering Time	\$ 2,551.50
			Less Credit For Application Filing Fees	(\$ 71.00)
			Standard Engineering Time SubTotal	\$ 2,480.50
Total Engineering Time Fees:				\$ 2,480.50



AUTHORITY TO CONSTRUCT

PERMIT NO: S-3755-11-8

ISSUANCE DATE: 06/05/2012

LEGAL OWNER OR OPERATOR: SENECA WESTERN MINERALS CORP.

MAILING ADDRESS: 2131 MARS CT
BAKERSFIELD, CA 93308

LOCATION: HEAVY OIL WESTERN

EQUIPMENT DESCRIPTION:

MODIFICATION OF 20 MMBTU/HR TEOR GAS AND NATURAL GAS-FIRED STEAM GENERATOR WITH NORTH AMERICAN MAGNA-FLAME LE MODEL 4211-21/X1288 LOW NOX BURNER: TUNE BURNER AND/OR ADD FGR TO ACHIEVE 9 PPMV NOX FOR RULE 4320, AUTHORIZE TO OPERATE AT VARIOUS SPECIFIED LOCATIONS IN SENECA'S HOWSS, REVISE SULFUR AND NOX LIMITS FOR RULE 4320 COMPLIANCE

CONDITIONS

1. This Authority to Construct serves as a written certificate of conformity with the procedural requirements of 40 CFR 70.7 and 70.8 and with the compliance requirements of 40 CFR 70.6(c). [District Rule 2201] Federally Enforceable Through Title V Permit
2. Prior to operating with modifications authorized by this Authority to Construct, the facility shall submit an application to modify the Title V permit with an administrative amendment in accordance with District Rule 2520 Section 5.3.4. [District Rule 2520, 5.3.4] Federally Enforceable Through Title V Permit
3. Steam generator shall operate only in Sections 7, 18, 19, and 20 T11N, R23W, Section 13 T11N, R24W, Section 24 T26S R20E, Sections 14 and 15 T31S, R22E. [District Rule 4102]
4. Exhaust gas stack shall be equipped with adequate provisions facilitating the collection of gas samples consistent with EPA Test Methods. [District Rules 1081, 2201] Federally Enforceable Through Title V Permit
5. The exhaust stack shall vent vertically upward. The vertical exhaust flow shall not be impeded by a rain cap (flapper ok), roof overhang, or any other obstruction. [District Rule 4102]
6. Unit shall not operate within 2,500 feet of the nearest receptor. [District Rule 4102]

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

DAVID WARNER, Director of Permit Services

S-3755-11-8 : Jun 5 2012 10:09AM - EDGEHILR : Joint Inspection NOT Required

7. Steam generator shall only be fired on produced (TEOR) gas, PUC quality natural gas, or gas containing less than 50% by volume PUC quality natural gas with a sulfur content not exceeding 5.0 gr S/100 scf or scrubbed to remove 95% sulfur. PUC quality natural gas is any gaseous fuel where the sulfur content is no more than one-fourth (0.25) grain of hydrogen sulfide per one hundred (100) standard cubic feet, no more than five (5) grains of total sulfur per one hundred (100) standard cubic feet, and at least 80% methane by volume. [District Rule 2201 and 4320] Federally Enforceable Through Title V Permit
8. Except when the fuel is less than 50% by volume PUC quality gas and during startup and shutdown, NOx emission rates shall not exceed 9 ppmv @ 3% O₂. [District Rules 2201 and 4320] Federally Enforceable Through Title V Permit
9. When the fuel is less than 50% by volume PUC quality gas, NOx emission rates shall not exceed 12 ppmv @ 3% O₂. [District Rules 2201 and 4320] Federally Enforceable Through Title V Permit
10. Emission rates shall not exceed any of the following: PM₁₀: 0.0117 lb/MMBtu, VOC: 0.008 lb/MMBtu or CO: 154 ppmvd @ 3% O₂. [District Rules 2201, 4306, and 4320] Federally Enforceable Through Title V Permit
11. The permittee shall monitor and record the stack concentration of NOX, CO, and O₂ at least once every month (in which a source test is not performed) using a portable analyzer that meets District specifications. Monitoring shall not be required if the unit is not in operation, i.e. the unit need not be started solely to perform monitoring. Monitoring shall be performed within 5 days of restarting the unit unless monitoring has been performed within the last month. [District Rules 4305, 4306 & 4320] Federally Enforceable Through Title V Permit
12. If either the NOX or CO concentrations corrected to 3% O₂, as measured by the portable analyzer, exceed the allowable emissions concentration, the permittee shall return the emissions to within the acceptable range as soon as possible, but no longer than 1 hour of operation after detection. If the portable analyzer readings continue to exceed the allowable emissions concentration after 1 hour of operation after detection, the permittee shall notify the District within the following 1 hour and conduct a certified source test within 60 days of the first exceedance. In lieu of conducting a source test, the permittee may stipulate a violation has occurred, subject to enforcement action. The permittee must then correct the violation, show compliance has been re-established, and resume monitoring procedures. If the deviations are the result of a qualifying breakdown condition pursuant to Rule 1100, the permittee may fully comply with Rule 1100 in lieu of performing the notification and testing required by this condition. [District Rules 4305, 4306 & 4320] Federally Enforceable Through Title V Permit
13. All alternate monitoring parameter emission readings shall be taken with the unit operating either at conditions representative of normal operations or conditions specified in the permit-to-operate. The analyzer shall be calibrated, maintained, and operated in accordance with the manufacturer's specifications and recommendations or a protocol approved by the APCO. Emission readings taken shall be averaged over a 15 consecutive-minute period by either taking a cumulative 15 consecutive-minute sample reading or by taking at least five (5) readings, evenly spaced out over the 15 consecutive-minute period. [District Rules 4305, 4306 & 4320] Federally Enforceable Through Title V Permit
14. The permittee shall maintain records of: (1) the date and time of NOX, CO, and O₂ measurements, (2) the O₂ concentration in percent by volume and the measured NOX and CO concentrations corrected to 3% O₂, (3) make and model of exhaust gas analyzer, (4) exhaust gas analyzer calibration records, and (5) a description of any corrective action taken to maintain the emissions within the acceptable range. [District Rules 4305, 4306 & 4320] Federally Enforceable Through Title V Permit
15. The portable analyzer shall be calibrated prior to each use with a two-point calibration method (zero and span). Calibration shall be performed with certified calibration gases. [District Rules 4306 and 4320] Federally Enforceable Through Title V Permit
16. Source testing shall be by District witnessed, or authorized, sample collection by ARB certified testing laboratory. [District Rule 1081] Federally Enforceable Through Title V Permit
17. Source testing shall be conducted using the methods and procedures approved by the District. The District must be notified at least 30 days prior to any compliance source test, and a source test plan must be submitted for approval at least 15 days prior to testing. [District Rule 1081] Federally Enforceable Through Title V Permit
18. The source test plan shall identify which basis (ppmv or lb/MMBtu) will be used to demonstrate compliance. [District Rules 4305, 4306 & 4320] Federally Enforceable Through Title V Permit

CONDITIONS CONTINUE ON NEXT PAGE

19. All emissions measurements shall be made with the unit operating either at conditions representative of normal operations or conditions specified in the Permit to Operate. No determination of compliance shall be established within two hours after a continuous period in which fuel flow to the unit is shut off for 30 minutes or longer, or within 30 minutes after a re-ignition as defined in Section 3.0 of District Rule 4306. [District Rules 4305, 4306 & 4320] Federally Enforceable Through Title V Permit
20. The results of each source test shall be submitted to the District within 60 days thereafter. [District Rule 1081] Federally Enforceable Through Title V Permit
21. For emissions source testing, the arithmetic average of three 30-consecutive-minute test runs shall apply. If two of three runs are above an applicable limit the test cannot be used to demonstrate compliance with an applicable limit. [District Rules 4305, 4306 and 4320] Federally Enforceable Through Title V Permit
22. Source testing to measure natural gas-combustion NO_x and CO emissions from this unit shall be conducted at least once every twelve (12) months. After demonstrating compliance on two (2) consecutive annual source tests, the unit shall be tested not less than once every thirty-six (36) months. If the result of the 36-month source test demonstrates that the unit does not meet the applicable emission limits, the source testing frequency shall revert to at least once every twelve (12) months. [District Rules 2201, 4305, 6.3.1, 4306, 6.3.1 and 4320] Federally Enforceable Through Title V Permit
23. If permittee fails any compliance demonstration for NO_x and CO emissions when testing not less than once every 36 months, source testing for NO_x and CO emissions shall be conducted not less than once every 12 months. [District Rules 2520, 9.4.2 and 4305] Federally Enforceable Through Title V Permit
24. Fuel H₂S, total sulfur, and methane content of combusted gas shall be determined whenever there is a change in fuel type and semi-annually thereafter using the test methods (or other approved methods listed in this permit) H₂S: ASTM D6228; total sulfur: ASTM D1072; ASTM D3246, or ASTM D6228; and methane content: ASTM D1945. [District Rule 4320, 6.2] Federally Enforceable Through Title V Permit
25. Permittee shall maintain records of the types (TEOR and/or PUC quality natural gas), fuel sulfur content and % volume of PUC quality natural gas, higher heating value, and quantities of fuel gas combusted each day. [District Rule 1070] Federally Enforceable Through Title V Permit
26. The following test methods shall be used: NO_x (ppmv) - EPA Method 7E or ARB Method 100, NO_x (lb/MMBtu) - EPA Method 19, CO (ppmv) - EPA Method 10 or 10B or ARB Method 100, stack gas oxygen - EPA Method 3 or 3A or ARB Method 100, SO_x (lb/MMBtu) - ARB Method 100 or EPA Method 6, 6C or fuel gas sulfur content analysis and EPA Method 19, fuel gas sulfur content - EPA Method 11 or 15, ASTM D3246 or double GC for H₂S and mercaptans performed in a laboratory, fuel gas hhv - ASTM D1826 or D1945 in conjunction with ASTM D3588. [District Rules 4305, 4306 and 4320] Federally Enforceable Through Title V Permit
27. All records shall be maintained and retained on-site for a minimum of five (5) years, and shall be made available for District inspection upon request. [District Rules 1070, 4305, 4306, and 4320] Federally Enforceable Through Title V Permit
28. ATC S-3755-11-7 is hereby canceled. [District Rule 2201] Federally Enforceable Through Title V Permit