



APR 02 2012

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-1120874

Dear Mr. Rios:

Enclosed for you to review is an application for minor Title V permit modification for the facility identified above. Seneca Western Minerals Corp. is proposing a Title V minor permit modification to incorporate the recently issued S-3755-16-2, '-19-3 and '-19-4 into the Title V operating permit. These modifications make the tank listed on S-3755-16 dormant and rerate the burner, reduce the fuel sulfur limit, and add authorized locations to the steam generator listed on S-3755-19

Enclosed is the engineering evaluation with the following attachments: proposed modified Title V permit, recently issued S-3755-16-2, '-19-3 and '-19-4, emission increases, application, and previous Title V permit. 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



APR 02 2012

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

**Re: Notice of Minor Title V Permit Modification
District Facility # S-3755
Project # S-1120874**

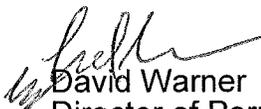
Dear Mr. Alburger:

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 S-3755-16-2, '-19-3 and '-19-4 into the Title V operating permit. These modifications make the tank listed on S-3755-16 dormant and rerate the burner, reduce the fuel sulfur limit, and add authorized locations to the steam generator listed on S-3755-19

Enclosed is the engineering evaluation with the following attachments: proposed modified Title V permit, recently issued S-3755-16-2, '-19-3 and '-19-4, emission increases, application, and previous Title V permit. 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

Enclosures

TITLE V APPLICATION REVIEW

Minor Modification
Project #: S-1120874

Engineer: Kris Rickards
Date: March 29, 2012

Facility Number: S-3755
Facility Name: Seneca Western Minerals Corp.
Mailing Address: 2131 Mars Court
Bakersfield, CA 93308

Reviewed by N. SUPER A Q E
MAR 30 2012

Contact Name: Timothy Alburger
Phone: 661-399-4270 x3544

Responsible Official: Brad Elliott
Title: General Manager, Operation - West Division

I. PROPOSAL

Seneca Western Minerals Corp. (hereafter referred to as Seneca) is proposing a Title V minor permit modification to incorporate the recently issued S-3755-16-2, '-19-3, and '-19-4 into the Title V operating permit. These modifications make the tank listed on S-3755-16 dormant and rerate the burner, reduce the fuel sulfur limit, and add authorized locations to the steam generator listed on S-3755-19

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

This equipment is operated within Seneca's Heavy Oil Western Stationary Source in Kern County.

III. EQUIPMENT DESCRIPTION

S-3755-16-3: 200 BBL FIXED ROOF CRUDE OIL/WATER STORAGE TANK WITH PV VALVE LOCATED NEAR WELL 252H-20

S-3755-19-6: 20.0 MMBTU/HR NATURAL GAS-FIRED STEAM GENERATOR WITH ACT GIDEON MGW-25 LOW NOX BURNER AND INDUCED FLUE GAS RECIRCULATION OPERATED AT VARIOUS SPECIFIED LOCATIONS WITHIN THE STATIONARY SOURCE

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

S-3755-16-3:

The following conditions were added to the draft permit to allow this equipment to be compliant dormant:

- When designated as a dormant emissions unit, all liquids shall be removed from the tank and the pipelines either removed or blinded. [District Rule 2080]
- Permittee shall submit written notification to the District upon designating the unit as dormant or active. [District Rule 2080]
- While dormant, normal testing and recordkeeping shall not be required. [District Rule 2080]
- Upon recommencing operation of this unit, normal testing and recordkeeping shall resume. [District Rule 2080]
- Any testing required by this permit shall be performed after recommencing operation of this unit, regardless of whether the unit remains active or is again designated as dormant. [District Rule 2080]
- Records of all dates and times that this unit is designated as dormant or active, and copies of all corresponding notices to the District, shall be maintained, retained for a period of at least five years, and made available for District inspection upon request. [District Rule 1070]

The following condition was added to the draft permit to enforce daily throughput limits:

- Permittee shall maintain monthly records of average daily fluid throughput. [District Rule 2201]

S-3755-19-6:

The following condition was added to the draft permit to enforce gas consumption conditions:

- The permittee shall maintain a non-resettable, totalizing mass or volumetric flow meter in each fuel line to the steam generator. [District Rule 2201]

The following condition was modified as additional authorized locations were added to the permit:

- Approved locations for this equipment: Sections 7, 8, 18, 19 and 20, T11N, R23W, Section 13, T11N, R24W, Section 15, T31S, R22E, Section 17, T29S, R21E, and Section 24, T26S, R20E. [District Rule 2201]

The following condition was modified as follows for Rule 4320 compliance (which allows 5 gr-S/100 dscf) and to eliminate a conflict between a fuel sulfur limit (1.0 gr-S/100 dscf) and an emissions limit for sulfur (0.051 lb-SO_x/MMBtu, which is equivalent to 17.9 gr-S/100 dscf):

- Steam generator shall be fired only on produced (TEOR) gas and/or PUC quality natural gas with a combined sulfur content of not greater than 1.0 not to exceed 5.0 gr/dscf. [District Rule 2201]

The following condition was modified as due to NO_x limits being reduced for Rule 4320 compliance and to remove a conflict of sulfur emissions between a fuel sulfur limit and emission limit conditions:

- Emissions from the natural gas-fired unit steam generator shall not exceed any of the following limits: 449 ppmvd NO_x @ 3% O₂ or 0.01701 lb-NO_x/MMBtu, 100 ppmvd CO @ 3% O₂ or 0.074 lb-CO/MMBtu, 0.051 lb-SO_x/MMBtu, 0.0076 lb-PM₁₀/MMBtu, or 0.0055 lb-VOC/MMBtu. [District Rules 2201, 4305, and 4306, 5.4 and 4320]

The following conditions were removed since sulfur limits are calculated on the combined fuel sulfur limitation of 5 gr-S/100 dscf:

- ~~Sulfur content of produced (TEOR) gas combusted shall not exceed 200 ppmvd. [District Rule 2201]~~
- ~~Produced (TEOR) gas combusted by steam generator shall not exceed 300 mscf/day. [District Rule 2201]~~

The following condition was added to the draft permit for Rule 4320 compliance:

- Fuel sulfur content shall be determined using EPA Method 11 or Method 15. [District Rule 4320]

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 Modified Title V Operating Permits S-3755-16-3 and '-19-6
- B. Authorities to Construct S-3755-16-2, '-19-3, and '-19-4
- C. Emissions Increases
- D. Application
- E. Previous Title V Operating Permits S-3755-16-1 and '-19-5

ATTACHMENT A

Proposed Modified Title V Operating Permits
(S-3755-16-3 and '-19-6)

San Joaquin Valley Air Pollution Control District

PERMIT UNIT: S-3755-16-3

EXPIRATION DATE: 02/29/2016

SECTION: NE 20 **TOWNSHIP:** 11N **RANGE:** 23W

EQUIPMENT DESCRIPTION:

200 BBL FIXED ROOF CRUDE OIL/WATER STORAGE TANK WITH PV VALVE LOCATED NEAR WELL 252H-20

PERMIT UNIT REQUIREMENTS

1. When designated as a dormant emissions unit, all liquids shall be removed from the tank and the pipelines either removed or blinded. [District Rule 2080] Federally Enforceable Through Title V Permit
2. Permittee shall submit written notification to the District upon designating the unit as dormant or active. [District Rule 2080] Federally Enforceable Through Title V Permit
3. While dormant, normal testing and recordkeeping shall not be required. [District Rule 2080] Federally Enforceable Through Title V Permit
4. Upon recommencing operation of this unit, normal testing and recordkeeping shall resume. [District Rule 2080] Federally Enforceable Through Title V Permit
5. Any testing required by this permit shall be performed after recommencing operation of this unit, regardless of whether the unit remains active or is again designated as dormant. [District Rule 2080] Federally Enforceable Through Title V Permit
6. Records of all dates and times that this unit is designated as dormant or active, and copies of all corresponding notices to the District, shall be maintained, retained for a period of at least five years, and made available for District inspection upon request. [District Rule 1070]
7. The tank shall be equipped with a fixed roof with no holes or openings. [District Rule 2201] Federally Enforceable Through Title V Permit
8. This tank shall be equipped with a pressure-vacuum (PV) relief valve set to within 10% of the maximum allowable working pressure of the tank, permanently labeled with the operating pressure settings, properly maintained in good operating order in accordance with the manufacturer's instructions, and shall remain in gas-tight condition except when the operating pressure exceeds the valve's set pressure. [District Rule 2201] Federally Enforceable Through Title V Permit
9. VOC emissions from this tank shall not exceed 1.9 lb/day. [District Rule 2201] Federally Enforceable Through Title V Permit
10. True vapor pressure (TVP) of liquids stored, received, or held in the tank shall not exceed 0.09 psia. [District Rules 2201, 4623, 4.4, and 40 CFR 60.110(b)] Federally Enforceable Through Title V Permit
11. Tank fluid throughput shall be less than 175 bbl/day when averaged over a one month period. [District Rule 2201] Federally Enforceable Through Title V Permit
12. Tank crude oil throughput shall be less than 50 bbl/day when averaged over a one month period. [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. In lieu of testing each uncontrolled fixed roof tank, an operator may conduct a TVP testing of a representative tank provided the following criteria are met: (1) The selection of representative, uncontrolled fixed roof tanks is submitted in writing to the APCO, and written approval is granted by the APCO prior to conducting the test; (2) One uncontrolled fixed roof tank represents some or all of the tanks in a tank battery; (3) The stored organic liquid in each of the represented tanks is the same and came from the same source; and (4) The TVP and storage temperature of the stored organic liquid of the representative tank to be tested are the same or higher than those of the tanks it is to represent. [District Rule 4623, 6.2] Federally Enforceable Through Title V Permit
14. For crude oil with an API gravity greater than 26 degrees, the TVP of any organic liquid shall be determined by measuring the Reid Vapor Pressure (RVP) using ASTM D 323 (Test Method for Vapor Pressure for Petroleum Products), and converting the RVP to TVP at the tank's maximum organic liquid storage temperature. The conversion of RVP to TVP shall be done in accordance with the procedures in District Rule 4623, Appendix B. As an alternative to using ASTM D 323, the TVP of crude oil with an API gravity range of greater than 26 degrees up to 30 degrees may be determined by using other equivalent test methods approved by APCO, ARB and US EPA. [District Rule 4623, 6.4.3] Federally Enforceable Through Title V Permit
15. Permittee shall conduct true vapor pressure (TVP) testing of the organic liquid stored in this tank at least once every 24 months during summer (July - September), and/or whenever there is a change in the source or type of organic liquid stored in this tank in order to maintain exemption from the rule. [District Rule 4623] Federally Enforceable Through Title V Permit
16. The TVP testing shall be conducted at actual storage temperature of the organic liquid in the tank. The permittee shall also conduct an API gravity testing. [District Rule 4623] Federally Enforceable Through Title V Permit
17. The API gravity of crude oil or petroleum distillate shall be determined by using ASTM Method D 287 e1 "Standard Test Method for API Gravity of Crude Petroleum and Petroleum Products (Hydrometer Method). Sampling for API gravity shall be performed in accordance with ASTM Method D 4057 "Standard Practices for Manual Sampling of Petroleum and Petroleum Products." [District Rule 4623] Federally Enforceable Through Title V Permit
18. For crude oil with an API gravity of 26 degrees or less, the TVP shall be determined using the latest version of the Lawrence Berkeley National Laboratory "test Method for Vapor pressure of Reactive Organic Compounds in Heavy Crude Oil Using Gas Chromatograph", as approved by ARB and EPA. [District Rule 4623] Federally Enforceable Through Title V Permit
19. Permittee shall submit the records of TVP and API gravity testing to the APCO within 45 days after the date of testing. The records shall include the tank identification number, Permit to Operate number, type of stored organic liquid, TVP and API gravity of the organic liquid, test methods used, and a copy of the test results. [District Rule 4623] Federally Enforceable Through Title V Permit
20. Permittee shall maintain monthly records of average daily fluid throughput. [District Rule 2201] Federally Enforceable Through Title V Permit
21. The permittee shall keep accurate records of each organic liquid stored in the tank, including its storage temperature, TVP, and API gravity. [District Rule 4623] Federally Enforceable Through Title V Permit
22. All records required to be maintained by this permit shall be maintained for a period of at least five years and shall be made readily available for District inspection upon request. [District Rule 4623] Federally Enforceable Through Title V Permit

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

DRAFT

San Joaquin Valley Air Pollution Control District

PERMIT UNIT: S-3755-19-6

EXPIRATION DATE: 02/29/2016

EQUIPMENT DESCRIPTION:

20.0 MMBTU/HR NATURAL GAS-FIRED STEAM GENERATOR WITH ACT GIDEON MGW-25 LOW NOX BURNER AND INDUCED FLUE GAS RECIRCULATION OPERATED AT VARIOUS SPECIFIED LOCATIONS WITHIN THE STATIONARY SOURCE

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. The permittee shall maintain a non-resettable, totalizing mass or volumetric flow meter in each fuel line to the steam generator. [District Rule 2201] Federally Enforceable Through Title V Permit
3. Particulate matter emissions shall not exceed 0.1 grain/dscf at operating conditions, nor 0.1 grain/dscf calculated to 12% CO₂, nor 10 lb/hr. [District Rule 4201 and Rule 4301, 5.1 and 5.2.3] Federally Enforceable Through Title V Permit
4. Approved locations for this equipment: Sections 7, 8, 18, 19 and 20, T11N, R23W, Section 13, T11N, R24W, Section 15, T31S, R22E, Section 17, T29S, R21E, and Section 24, T26S, R20E. [District Rule 2201] Federally Enforceable Through Title V Permit
5. Unit shall not be located within 1000 feet of any K-12 school. [CH&SC 42301.6]
6. Permittee shall notify the District Compliance Division of each location at which the unit is located in excess of 24 hours. Such notification shall be made no later than 48 hours after starting operation at the location. [District Rule 1070] Federally Enforceable Through Title V Permit
7. Flue gas recirculation system shall be operated at all times when steam generator is in use. [District Rule 2201] Federally Enforceable Through Title V Permit
8. Steam generator shall be fired only on produced (TEOR) gas and/or PUC quality natural gas with a combined sulfur content not to exceed 5.0 gr-S/100 dscf. [District Rules 2201 and 4320] Federally Enforceable Through Title V Permit
9. Emissions from the steam generator shall not exceed any of the following limits: 9 ppmvd NO_x @ 3% O₂ or 0.011 lb-NO_x/MMBtu, 100 ppmvd CO @ 3% O₂ or 0.074 lb-CO/MMBtu, 0.0076 lb-PM₁₀/MMBtu, or 0.0055 lb-VOC/MMBtu. [District Rules 2201, 4305, 4306, and 4320] Federally Enforceable Through Title V Permit
10. The permittee shall monitor and record the stack concentration of NO_x, CO, and O₂ at least once every month (in which a source test is not performed) using a portable emission monitor 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 and 4306, 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.

11. If either the NO_x 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 and 4306, 5.4] Federally Enforceable Through Title V Permit
12. 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 and 4306, 5.4] Federally Enforceable Through Title V Permit
13. The permittee shall maintain records of: (1) the date and time of NO_x, CO, and O₂ measurements, (2) the O₂ concentration in percent and the measured NO_x 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 and 4306, 5.4] Federally Enforceable Through Title V Permit
14. If the unit is fired on noncertified gaseous fuel then the sulfur content of the gaseous fuel being fired in the unit shall be determined using ASTM D 1072, D 3031, D 4084, D 3246 or grab sample analysis by GC-FPD/TCD performed in the laboratory. [District Rule 2201] Federally Enforceable Through Title V Permit
15. Copies of fuel supplier sulfur content certification, and test results to determine compliance with the conditions of this permit shall be maintained. [District Rule 2201] Federally Enforceable Through Title V Permit
16. Except for certified gaseous fuels, all fuel sources shall be tested for sulfur content within 30 days of using the fuel source as fuel in the steam generator and at least once every 12 months thereafter. [District Rule 2201] Federally Enforceable Through Title V Permit
17. Source testing to measure natural gas-combustion NO_x and CO emissions from this unit shall be conducted within 60 days of initial start-up. [District Rules 2201, 4305 and 4306, 6.3] Federally Enforceable Through Title V Permit
18. 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 4305 and 4306, 6.3] Federally Enforceable Through Title V Permit
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 and 4306, 5.5] Federally Enforceable Through Title V Permit
20. The source test plan shall identify which basis (ppmv or lb/MMBtu) will be used to demonstrate compliance. [District Rules 4305 and 4306, 5.5] Federally Enforceable Through Title V Permit
21. 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

PERMIT UNIT REQUIREMENTS CONTINUE ON NEXT PAGE

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

22. NOx emissions for source test purposes shall be determined using EPA Method 7E or ARB Method 100 on a ppmv basis, or EPA Method 19 on a heat input basis. [District Rules 4305 and 4306, 6.2] Federally Enforceable Through Title V Permit
23. CO emissions for source test purposes shall be determined using EPA Method 10 or ARB Method 100. [District Rules 4305 and 4306, 6.2] Federally Enforceable Through Title V Permit
24. Stack gas oxygen (O2) shall be determined using EPA Method 3 or 3A or ARB Method 100. [District Rules 4305 and 4306, 6.2] Federally Enforceable Through Title V Permit
25. Fuel sulfur content shall be determined using EPA Method 11 or Method 15. [District Rule 4320] Federally Enforceable Through Title V Permit
26. 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 and 4306, 5.5] Federally Enforceable Through Title V Permit
27. 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
28. Permittee shall maintain records of the occurrence and duration of any startup, shutdown, or malfunction in the operation of this emissions unit, or any malfunction of the air pollution control equipment. [District Rule 4001 40CFR60, Subpart A] Federally Enforceable Through Title V Permit
29. 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, and 4306] 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
(S-3755-16-2, '-19-3, and '-19-4)

AUTHORITY TO CONSTRUCT

PERMIT NO: S-3755-16-2

ISSUANCE DATE: 09/29/2011

LEGAL OWNER OR OPERATOR: SENECA WESTERN MINERALS CORP.

MAILING ADDRESS: 2131 MARS CT
BAKERSFIELD, CA 93308

LOCATION: HEAVY OIL WESTERN

SECTION: NE 20 TOWNSHIP: 11N RANGE: 23W

EQUIPMENT DESCRIPTION:

MODIFICATION OF 200 BBL FIXED ROOF CRUDE OIL/WATER STORAGE TANK WITH PV VALVE LOCATED NEAR WELL 252H-20: DESIGNATE TANK AS DORMANT

CONDITIONS

1. When designated as a dormant emissions unit, all liquids shall be removed from the tank and the pipelines either removed or blinded. [District Rule 2080]
2. Permittee shall submit written notification to the District upon designating the unit as dormant or active. [District Rule 2080]
3. While dormant, normal testing and recordkeeping shall not be required. [District Rule 2080]
4. Upon recommencing operation of this unit, normal testing and recordkeeping shall resume. [District Rule 2080]
5. Any testing required by this permit shall be performed after recommencing operation of this unit, regardless of whether the unit remains active or is again designated as dormant. [District Rule 2080]
6. Records of all dates and times that this unit is designated as dormant or active, and copies of all corresponding notices to the District, shall be maintained, retained for a period of at least five years, and made available for District inspection upon request. [District Rule 1070]
7. No air contaminant shall be released into the atmosphere which causes a public nuisance. [District Rule 4102]
8. No air contaminant shall be discharged into the atmosphere for a period or periods aggregating more than three minutes in any one hour which is as dark as, or darker than, Ringelmann 1 or 20% opacity. [District Rule 4101]
9. The tank shall be equipped with a fixed roof with no holes or openings. [District Rule 2201]

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

COPY

DAVID WARNER, Director of Permit Services

S-3755-16-2 : Mar 30 2012 7:50AM -- RICKARDK : Joint Inspection NOT Required

Southern Regional Office • 34946 Flyover Court • Bakersfield, CA 93308 • (661) 392-5500 • Fax (661) 392-5585

10. This tank shall be equipped with a pressure-vacuum (PV) relief valve set to within 10% of the maximum allowable working pressure of the tank, permanently labeled with the operating pressure settings, properly maintained in good operating order in accordance with the manufacturer's instructions, and shall remain in gas-tight condition except when the operating pressure exceeds the valve's set pressure. [District Rule 2201]
11. VOC emissions from this tank shall not exceed 1.9 lb/day. [District Rule 2201]
12. True vapor pressure (TVP) of liquids stored, received, or held in the tank shall not exceed 0.09 psia. [District Rule 2201]
13. Tank fluid throughput shall be less than 175 bbl/day when averaged over a one month period. [District Rule 2201]
14. Tank crude oil throughput shall be less than 50 bbl/day when averaged over a one month period. [District Rule 2201]
15. Permittee shall conduct true vapor pressure (TVP) testing of the organic liquid stored in this tank at least once every 24 months during summer (July - September), and/or whenever there is a change in the source or type of organic liquid stored in this tank in order to maintain exemption from the rule. [District Rules 2201 and 4623]
16. The API gravity of crude oil or petroleum distillate shall be determined by using ASTM Method D 287 e1 "Standard Test Method for API Gravity of Crude Petroleum and Petroleum Products (Hydrometer Method). Sampling for API gravity shall be performed in accordance with ASTM Method D 4057 "Standard Practices for Manual Sampling of Petroleum and Petroleum Products." [District Rule 4623]
17. For crude oil with an API gravity of 26 degrees or less, the TVP shall be determined using the latest version of the Lawrence Berkeley National Laboratory "test Method for Vapor pressure of Reactive Organic Compounds in Heavy Crude Oil Using Gas Chromatograph", as approved by ARB and EPA. [District Rule 4623]
18. The TVP testing shall be conducted at actual storage temperature of the organic liquid in the tank. If the tank stores crude oil or petroleum distillates, the permittee shall also conduct an API gravity testing. [District Rule 4623]
19. Permittee shall maintain monthly records of average daily fluid throughput. [District Rule 2201]
20. Permittee shall submit the records of TVP and API gravity testing to the APCO within 45 days after the date of testing. The records shall include the tank identification number, Permit to Operate number, type of stored organic liquid, TVP and API gravity of the organic liquid, test methods used, and a copy of the test results. [District Rules 2201 and 4623]
21. Permittee shall keep accurate records of each organic liquid stored in the tank, including its storage temperature, TVP, and API gravity. [District Rules 2201 and 4623]
22. All records required to be maintained by this permit shall be maintained for a period of at least five years and shall be made readily available for District inspection upon request. [District Rule 4623]

Y900

AUTHORITY TO CONSTRUCT

PERMIT NO: S-3755-19-3

ISSUANCE DATE: 06/10/2010

LEGAL OWNER OR OPERATOR: SENECA WESTERN MINERALS CORP.

MAILING ADDRESS: 2131 MARS CT
BAKERSFIELD, CA 93308

LOCATION: HEAVY OIL WESTERN

EQUIPMENT DESCRIPTION:

MODIFICATION OF 25.0 MMBTU/HR NATURAL GAS-FIRED STEAM GENERATOR WITH ACT GIDEON MGW-25 LOW NOX BURNER AND INDUCED FLUE GAS RECIRCULATION OPERATED AT VARIOUS SPECIFIED LOCATIONS WITHIN THE STATIONARY SOURCE: RERATE BURNER TO 20.0 MMBTU/HR BY PERMANENTLY CHANGING THE CONTROL PROGRAM TO LIMIT THE HEAT INPUT. MANUFACTURER WILL INSTALL NEW NAMEPLATE ON BURNER IDENTIFYING NEW RATING. TUNE BURNER TO ACHIEVE 9 PPMV NOX, AND LIMIT FUEL SULFUR TO 5 GR-S/100 DSCF FOR RULE 4320 COMPLIANCE.

CONDITIONS

1. No air contaminant shall be released into the atmosphere which causes a public nuisance. [District Rule 4102]
2. No air contaminant shall be discharged into the atmosphere for a period or periods aggregating more than three minutes in any one hour which is as dark as, or darker than, Ringelmann 1 or 20% opacity. [District Rule 4101]
3. 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]
4. Particulate matter emissions shall not exceed 0.1 grain/dscf at operating conditions, 0.1 grain/dscf calculated to 12% CO₂, nor 10 lb/hr. [District Rules 4201, 3.1 and 4301, 5.1 and 5.2.3]
5. Approved locations for this equipment: Sections 7, 18, 19 and 20, T11N, R23W, Section 13, T11N, R24W, and Section 17, T29S, R21E. [District Rule 2201]
6. Unit shall not be located within 1000 feet of any K-12 school. [CH&SC 42301.6]
7. Permittee shall notify the District Compliance Division to arrange a start-up inspection at the initial location of the unit. [District Rule 1070]

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

COPY

DAVID WARNER, Director of Permit Services

S-3755-19-3 : Mar 30 2012 7:50AM -- RICKARDK : Joint Inspection NOT Required

Southern Regional Office • 34946 Flyover Court • Bakersfield, CA 93308 • (661) 392-5500 • Fax (661) 392-5585

8. Permittee shall notify the District Compliance Division of each location at which the unit is located in excess of 24 hours. Such notification shall be made no later than 48 hours after starting operation at the location. [District Rule 1070]
9. Flue gas recirculation system shall be operated at all times when steam generator is in use. [District Rule 2201]
10. Steam generator shall be fired only on produced (TEOR) gas and PUC quality natural gas with a combined sulfur content not to exceed 5.0 gr-S/100 dscf. [District Rules 2201 and 4320]
11. The permittee shall maintain a non-resettable, totalizing mass or volumetric flow meter in each fuel line to the steam generator. [District Rule 2201]
12. Emissions from the steam generator shall not exceed any of the following limits: 9 ppmvd NO_x @ 3% O₂ or 0.011 lb-NO_x/MMBtu, 100 ppmvd CO @ 3% O₂ or 0.074 lb-CO/MMBtu, 0.0076 lb-PM₁₀/MMBtu, or 0.0055 lb-VOC/MMBtu. [District Rule 2201, 4305, 4306, and 4320]
13. The permittee shall monitor and record the stack concentration of NO_x, 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, and 4320]
14. If either the NO_x 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, and 4320]
15. 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, and 4320]
16. The permittee shall maintain records of: (1) the date and time of NO_x, CO, and O₂ measurements, (2) the O₂ concentration in percent by volume and the measured NO_x 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, and 4320]
17. If the unit is fired on noncertified gaseous fuel then the sulfur content of the gaseous fuel being fired in the unit shall be determined using ASTM D 1072, D 3031, D 4084, D 3246 or grab sample analysis by GC-FPD/TCD performed in the laboratory. [District Rule 2201]
18. Copies of all gas purchase contracts, supplier certifications, and test results to determine compliance with the conditions of this permit shall be maintained. The operator shall record daily amount and type(s) of fuel(s) combusted, fuel source, and all dates on which unit is fired on any noncertified fuel and record specific type of noncertified fuel used. [District Rule 2201]
19. Except for certified gaseous fuels, all fuel sources shall be tested for sulfur content within 30 days of using the fuel source as fuel in the steam generator and at least once every 12 months thereafter. [District Rules 2201 and 4320]
20. Source testing to measure natural gas-combustion NO_x and CO emissions from this unit shall be conducted within 60 days of initial start-up. [District Rules 2201, 4305, 4306, and 4320]

CONDITIONS CONTINUE ON NEXT PAGE

21. 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 4305, 4306, and 4320]
22. 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. Unless otherwise 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. For the purposes of permittee-performed alternate monitoring, emissions measurements may be performed at any time after the unit reaches conditions representative of normal operation. [District Rules 4305, 4306, and 4320]
23. The source test plan shall identify which basis (ppmv or lb/MMBtu) will be used to demonstrate compliance. [District Rules 4305, 4306, and 4320]
24. 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]
25. NO_x emissions for source test purposes shall be determined using EPA Method 7E or ARB Method 100 on a ppmv basis, or EPA Method 19 on a heat input basis. [District Rules 4305, 4306 and 4320]
26. CO emissions for source test purposes shall be determined using EPA Method 10 or ARB Method 100. [District Rules 4305, 4306 and 4320]
27. Stack gas oxygen (O₂) shall be determined using EPA Method 3 or 3A or ARB Method 100. [District Rules 4305, 4306 and 4320]
28. Fuel sulfur content shall be determined using EPA Method 11 or Method 15. [District Rule 4320]
29. 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]
30. The results of each source test shall be submitted to the District within 60 days thereafter. [District Rule 1081]
31. The permittee shall notify the District of date of initiation of construction no later than 30 days after such date, date of anticipated startup not more than 60 days nor less than 30 days prior to such date, and date of actual startup within 15 days after such date. [District Rule 4001, 40CFR60 Subpart A]
32. Permittee shall maintain records of the occurrence and duration of any startup, shutdown, or malfunction in the operation of this emissions unit, or any malfunction of the air pollution control equipment. [District Rule 4001 40CFR60, Subpart A]
33. 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]

AUTHORITY TO CONSTRUCT

PERMIT NO: S-3755-19-4

ISSUANCE DATE: 10/20/2010

LEGAL OWNER OR OPERATOR: SENECA WESTERN MINERALS CORP.

MAILING ADDRESS: 2131 MARS CT
BAKERSFIELD, CA 93308

LOCATION: HEAVY OIL WESTERN

EQUIPMENT DESCRIPTION:

MODIFICATION OF A 25 MMBTU/HR NATURAL GAS-FIRED STEAM GENERATOR WITH ACT GUIDEON MGW-25 LOW NOX BURNER AND INDUCED FLUE GAS RECIRCULATION OPERATED AT VARIOUS SPECIFIED LOCATIONS WITHIN THE STATIONARY SOURCE: ADD THE FOLLOWING AUTHORIZED LOCATIONS; SECTIONS 8, T11N, R23W, SECTION 24, T26S, R20E, AND SECTION 15, T31S, R22E

CONDITIONS

1. ATC S-3755-19-3 shall be implemented prior to or concurrently with ATC S-3755-19-4. [District Rule 2201]
2. No air contaminant shall be released into the atmosphere which causes a public nuisance. [District Rule 4102]
3. No air contaminant shall be discharged into the atmosphere for a period or periods aggregating more than three minutes in any one hour which is as dark as, or darker than, Ringelmann 1 or 20% opacity. [District Rule 4101]
4. 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]
5. Particulate matter emissions shall not exceed 0.1 grain/dscf at operating conditions, 0.1 grain/dscf calculated to 12% CO₂, nor 10 lb/hr. [District Rules 4201, 3.1 and 4301, 5.1 and 5.2.3]
6. Approved locations for this equipment: Sections 7, 8, 18, 19 and 20, T11N, R23W, Section 13, T11N, R24W, Section 15, T31S, R22E, Section 17, T29S, R21E, and Section 24, T26S, R20E. [District Rule 2201]
7. Unit shall not be located within 1000 feet of any K-12 school. [CH&SC 42301.6]
8. Permittee shall notify the District Compliance Division to arrange a start-up inspection at the initial location of the unit. [District Rule 1070]

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

COPY

DAVID WARNER, Director of Permit Services

S-3755-19-4 : Mar 30 2012 7:50AM -- RICKARDK : Joint Inspection NOT Required

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9. Permittee shall notify the District Compliance Division of each location at which the unit is located in excess of 24 hours. Such notification shall be made no later than 48 hours after starting operation at the location. [District Rule 1070]
10. Flue gas recirculation system shall be operated at all times when steam generator is in use. [District Rule 2201]
11. Steam generator shall be fired only on produced (TEOR) gas and PUC quality natural gas with a combined sulfur content not to exceed 5.0 gr-S/100 dscf. [District Rules 2201 and 4320]
12. The permittee shall maintain a non-resettable, totalizing mass or volumetric flow meter in each fuel line to the steam generator. [District Rule 2201]
13. Emissions from the steam generator shall not exceed any of the following limits: 9 ppmvd NO_x @ 3% O₂ or 0.011 lb-NO_x/MMBtu, 100 ppmvd CO @ 3% O₂ or 0.074 lb-CO/MMBtu, 0.0076 lb-PM₁₀/MMBtu, or 0.0055 lb-VOC/MMBtu. [District Rule 2201, 4305, 4306, and 4320]
14. The permittee shall monitor and record the stack concentration of NO_x, 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, and 4320]
15. If either the NO_x 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, and 4320]
16. 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, and 4320]
17. The permittee shall maintain records of: (1) the date and time of NO_x, CO, and O₂ measurements, (2) the O₂ concentration in percent by volume and the measured NO_x 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, and 4320]
18. If the unit is fired on noncertified gaseous fuel then the sulfur content of the gaseous fuel being fired in the unit shall be determined using ASTM D 1072, D 3031, D 4084, D 3246 or grab sample analysis by GC-FPD/TCD performed in the laboratory. [District Rule 2201]
19. Copies of all gas purchase contracts, supplier certifications, and test results to determine compliance with the conditions of this permit shall be maintained. The operator shall record daily amount and type(s) of fuel(s) combusted, fuel source, and all dates on which unit is fired on any noncertified fuel and record specific type of noncertified fuel used. [District Rule 2201]
20. Except for certified gaseous fuels, all fuel sources shall be tested for sulfur content within 30 days of using the fuel source as fuel in the steam generator and at least once every 12 months thereafter. [District Rules 2201 and 4320]
21. Source testing to measure natural gas-combustion NO_x and CO emissions from this unit shall be conducted within 60 days of initial start-up. [District Rules 2201, 4305, 4306, and 4320]

CONDITIONS CONTINUE ON NEXT PAGE

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 4305, 4306, and 4320]
23. 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. Unless otherwise 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. For the purposes of permittee-performed alternate monitoring, emissions measurements may be performed at any time after the unit reaches conditions representative of normal operation. [District Rules 4305, 4306, and 4320]
24. The source test plan shall identify which basis (ppmv or lb/MMBtu) will be used to demonstrate compliance. [District Rules 4305, 4306, and 4320]
25. 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]
26. NO_x emissions for source test purposes shall be determined using EPA Method 7E or ARB Method 100 on a ppmv basis, or EPA Method 19 on a heat input basis. [District Rules 4305, 4306 and 4320]
27. CO emissions for source test purposes shall be determined using EPA Method 10 or ARB Method 100. [District Rules 4305, 4306 and 4320]
28. Stack gas oxygen (O₂) shall be determined using EPA Method 3 or 3A or ARB Method 100. [District Rules 4305, 4306 and 4320]
29. Fuel sulfur content shall be determined using EPA Method 11 or Method 15. [District Rule 4320]
30. 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]
31. The results of each source test shall be submitted to the District within 60 days thereafter. [District Rule 1081]
32. The permittee shall notify the District of date of initiation of construction no later than 30 days after such date, date of anticipated startup not more than 60 days nor less than 30 days prior to such date, and date of actual startup within 15 days after such date. [District Rule 4001, 40CFR60 Subpart A]
33. Permittee shall maintain records of the occurrence and duration of any startup, shutdown, or malfunction in the operation of this emissions unit, or any malfunction of the air pollution control equipment. [District Rule 4001 40CFR60, Subpart A]
34. 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]

ATTACHMENT C

Emissions Increases

	SSIPE (lb/yr)				
	NOx	VOC	CO	SOx	PM10
S-3755-16	0	0	0	0	0
S-3755-19	0	0	0	0	0
TOTAL	0	0	0	0	0

ATTACHMENT D

Application

San Joaquin Valley Air Pollution Control District

www.valleyair.org

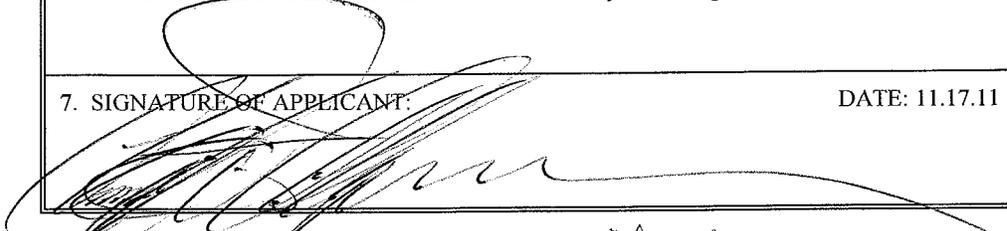
RECEIVED

NOV 17 2011

SJVAPCD
Southern Region

Permit Application For:

ADMINISTRATIVE AMENDMENT MINOR MODIFICATION SIGNIFICANT MODIFICATION

1. PERMIT TO BE ISSUED TO: Seneca Resources	
2. MAILING ADDRESS: STREET/P.O. BOX: <u>2131 Mars Court</u> CITY: <u>Bakersfield</u> STATE: <u>CA</u> 9-DIGIT ZIP CODE: <u>93308</u>	
3. LOCATION WHERE THE EQUIPMENT WILL BE OPERATED: STREET: <u>Various</u> CITY: <u>North Lost Hills / North-South Midway-Sunset</u> <u> </u> ¼ SECTION <u>Multiple</u> TOWNSHIP <u>Multiple</u> RANGE <u>Multiple</u>	INSTALLATION DATE: Completed as of 11.18.11
4. GENERAL NATURE OF BUSINESS: Oil-gas exploration and production	
5. DESCRIPTION OF EQUIPMENT OR MODIFICATION FOR WHICH APPLICATION IS MADE (include Permit #'s if known, and use additional sheets if necessary) 200 bbl COST, ATC Permit S-3755-16-2 20.0 MMBtu/hr steam generator, Project S-1103938, ATC Permits S-3755-19-3 & 4	
6. TYPE OR PRINT NAME OF APPLICANT: Timothy R. Alburger	TITLE OF APPLICANT: EHS Manager
7. SIGNATURE OF APPLICANT: 	DATE: 11.17.11 PHONE: (661) 399.4270, ext. 3544 FAX: (661) 399.7706 EMAIL: alburger@srcx.com

For APCD Use Only:

DATE STAMP	FILING FEE RECEIVED: \$ _____ CHECK#: _____
	DATE PAID: _____
	PROJECT NO: <u>S-1120874</u> FACILITY ID: <u>S-3755</u>

Title V - Minor Mod

**San Joaquin Valley
Unified Air Pollution Control District**

RECEIVED
NOV 17 2011
SJVAPCD
Southern Region

TITLE V MODIFICATION - COMPLIANCE CERTIFICATION FORM

I. TYPE OF PERMIT ACTION (Check appropriate box)

- SIGNIFICANT PERMIT MODIFICATION ADMINISTRATIVE
 MINOR PERMIT MODIFICATION AMENDMENT

COMPANY NAME:	FACILITY ID: S- 1114
1. Type of Organization: <input checked="" type="checkbox"/> Corporation <input type="checkbox"/> Sole Ownership <input type="checkbox"/> Government <input type="checkbox"/> Partnership <input type="checkbox"/> Utility	
2. Owner's Name:	
3. Agent to the Owner:	

II. COMPLIANCE CERTIFICATION (Read each statement carefully and initial all circles for confirmation):

- Based on information and belief formed after reasonable inquiry, the equipment identified in this application will continue to comply with the applicable federal requirement(s).
- Based on information and belief formed after reasonable inquiry, the equipment identified in this application will comply with applicable federal requirement(s) that will become effective during the permit term, on a timely basis.
- Corrected information will be provided to the District when I become aware that incorrect or incomplete information has been submitted.
- Based on information and belief formed after reasonable inquiry, information and statements in the submitted application package, including all accompanying reports, and required certifications are true accurate and complete.

I declare, under penalty of perjury under the laws of the state of California, that the forgoing is correct and true:

Brad Elliott
 Signature of Responsible Official

11.17.11
 Date

Brad Elliott
 Name of Responsible Official (please print)

General Manager, Operations – West Division
 Title of Responsible Official (please print)

ATTACHMENT E

Previous Title V Operating Permits
(S-3755-16-1 and '-19-5)

San Joaquin Valley Air Pollution Control District

PERMIT UNIT: S-3755-16-1

EXPIRATION DATE: 02/29/2016

SECTION: NE 20 **TOWNSHIP:** 11N **RANGE:** 23W

EQUIPMENT DESCRIPTION:

200 BBL (8,400 GALLONS) FIXED ROOF CRUDE OIL/WATER STORAGE TANK WITH PV VALVE LOCATED NEAR WELL 252H-20

PERMIT UNIT REQUIREMENTS

1. The tank shall be equipped with a fixed roof with no holes or openings. [District NSR Rule] Federally Enforceable Through Title V Permit
2. This tank shall be equipped with a pressure-vacuum (PV) relief valve set to within 10% of the maximum allowable working pressure of the tank, permanently labeled with the operating pressure settings, properly maintained in good operating order in accordance with the manufacturer's instructions, and shall remain in gas-tight condition except when the operating pressure exceeds the valve's set pressure. [District Rule 2201] Federally Enforceable Through Title V Permit
3. VOC emissions from this tank shall not exceed 1.9 lb/day. [District Rule 2201] Federally Enforceable Through Title V Permit
4. True vapor pressure (TVP) of liquids stored, received, or held in the tank shall not exceed 0.09 psia. [District Rules 2201, 4623, 4.4, and 40 CFR 60.110(b)] Federally Enforceable Through Title V Permit
5. Tank fluid throughput shall be less than 175 bbl/day when averaged over a one month period. [District Rule 2201] Federally Enforceable Through Title V Permit
6. Tank crude oil throughput shall be less than 50 bbl/day when averaged over a one month period. [District Rule 2201] Federally Enforceable Through Title V Permit
7. In lieu of testing each uncontrolled fixed roof tank, an operator may conduct a TVP testing of a representative tank provided the following criteria are met: (1) The selection of representative, uncontrolled fixed roof tanks is submitted in writing to the APCO, and written approval is granted by the APCO prior to conducting the test; (2) One uncontrolled fixed roof tank represents some or all of the tanks in a tank battery; (3) The stored organic liquid in each of the represented tanks is the same and came from the same source; and (4) The TVP and storage temperature of the stored organic liquid of the representative tank to be tested are the same or higher than those of the tanks it is to represent. [District Rule 4623, 6.2] Federally Enforceable Through Title V Permit
8. For crude oil with an API gravity greater than 26 degrees, the TVP of any organic liquid shall be determined by measuring the Reid Vapor Pressure (RVP) using ASTM D 323 (Test Method for Vapor Pressure for Petroleum Products), and converting the RVP to TVP at the tank's maximum organic liquid storage temperature. The conversion of RVP to TVP shall be done in accordance with the procedures in District Rule 4623, Appendix B. As an alternative to using ASTM D 323, the TVP of crude oil with an API gravity range of greater than 26 degrees up to 30 degrees may be determined by using other equivalent test methods approved by APCO, ARB and US EPA. [District Rule 4623, 6.4.3] 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.

Facility Name: SENECA WESTERN MINERALS CORP.

Location: HEAVY OIL WESTERN

S-3755-16-1 : Mar 30 2012 7:52AM - RICKARDK

9. Permittee shall conduct true vapor pressure (TVP) testing of the organic liquid stored in this tank at least once every 24 months during summer (July - September), and/or whenever there is a change in the source or type of organic liquid stored in this tank in order to maintain exemption from the rule. [District Rule 4623] Federally Enforceable Through Title V Permit
10. The TVP testing shall be conducted at actual storage temperature of the organic liquid in the tank. The permittee shall also conduct an API gravity testing. [District Rule 4623] Federally Enforceable Through Title V Permit
11. Permittee shall submit the records of TVP and API gravity testing to the APCO within 45 days after the date of testing. The records shall include the tank identification number, Permit to Operate number, type of stored organic liquid, TVP and API gravity of the organic liquid, test methods used, and a copy of the test results. [District Rule 4623] Federally Enforceable Through Title V Permit
12. The API gravity of crude oil or petroleum distillate shall be determined by using ASTM Method D 287 e1 "Standard Test Method for API Gravity of Crude Petroleum and Petroleum Products (Hydrometer Method). Sampling for API gravity shall be performed in accordance with ASTM Method D 4057 "Standard Practices for Manual Sampling of Petroleum and Petroleum Products." [District Rule 4623] Federally Enforceable Through Title V Permit
13. For crude oil with an API gravity of 26 degrees or less, the TVP shall be determined using the latest version of the Lawrence Berkeley National Laboratory "test Method for Vapor pressure of Reactive Organic Compounds in Heavy Crude Oil Using Gas Chromatograph", as approved by ARB and EPA. [District Rule 4623] Federally Enforceable Through Title V Permit
14. The permittee shall keep accurate records of each organic liquid stored in the tank, including its storage temperature, TVP, and API gravity. [District Rule 4623] Federally Enforceable Through Title V Permit
15. All records required to be maintained by this permit shall be maintained for a period of at least five years and shall be made readily available for District inspection upon request. [District Rule 4623] Federally Enforceable Through Title V Permit

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

San Joaquin Valley Air Pollution Control District

PERMIT UNIT: S-3755-19-5

EXPIRATION DATE: 02/29/2016

EQUIPMENT DESCRIPTION:

25 MMBTU/HR NATURAL GAS-FIRED STEAM GENERATOR WITH ACT GUIDEON MGW-25 LOW NOX BURNER AND INDUCED FLUE GAS RECIRCULATION OPERATED AT VARIOUS SPECIFIED LOCATIONS WITHIN THE STATIONARY SOURCE

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. Particulate matter emissions shall not exceed 0.1 grain/dscf at operating conditions, nor 0.1 grain/dscf calculated to 12% CO₂, nor 10 lb/hr. [District Rule 4201 and Rule 4301, 5.1 and 5.2.3] Federally Enforceable Through Title V Permit
3. Approved locations for this equipment: Sections 7, 18, 19 and 20, T11N/R23W, Section 13, T11N/R24W, and Section 17, T29S, T21E. [District Rule 2201] Federally Enforceable Through Title V Permit
4. Unit shall not be located within 1000 feet of any K-12 school. [CH&SC 42301.6]
5. Permittee shall notify the District Compliance Division of each location at which the unit is located in excess of 24 hours. Such notification shall be made no later than 48 hours after starting operation at the location. [District Rule 1070] Federally Enforceable Through Title V Permit
6. Flue gas recirculation system shall be operated at all times when steam generator is in use. [District Rule 2201] Federally Enforceable Through Title V Permit
7. Steam generator shall be fired only on produced (TEOR) gas and/or PUC quality natural gas with a sulfur content of not greater than 1.0 gr/dscf. [District Rule 2201] Federally Enforceable Through Title V Permit
8. Emissions from the natural gas-fired unit shall not exceed any of the following limits: 14 ppmvd NO_x @ 3% O₂ or 0.0170 lb-NO_x/MMBtu, 100 ppmvd CO @ 3% O₂ or 0.074 lb-CO/MMBtu, 0.051 lb-SO_x/MMBtu, 0.0076 lb-PM₁₀/MMBtu, or 0.0055 lb-VOC/MMBtu. [District Rules 2201, 4305, and 4306, 5.1] Federally Enforceable Through Title V Permit
9. Sulfur content of produced (TEOR) gas combusted shall not exceed 200 ppmvd. [District Rule 2201] Federally Enforceable Through Title V Permit
10. Produced (TEOR) gas combusted by steam generator shall not exceed 300 mscf/day. [District Rule 2201] Federally Enforceable Through Title V Permit
11. The permittee shall monitor and record the stack concentration of NO_x, CO, and O₂ at least once every month (in which a source test is not performed) using a portable emission monitor 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 and 4306, 5.4] Federally Enforceable Through Title V Permit

PERMIT UNIT REQUIREMENTS CONTINUE ON NEXT PAGE

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12. If either the NO_x 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 and 4306, 5.4] 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 and 4306, 5.4] Federally Enforceable Through Title V Permit
14. The permittee shall maintain records of: (1) the date and time of NO_x, CO, and O₂ measurements, (2) the O₂ concentration in percent and the measured NO_x 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 and 4306, 5.4] Federally Enforceable Through Title V Permit
15. If the unit is fired on noncertified gaseous fuel then the sulfur content of the gaseous fuel being fired in the unit shall be determined using ASTM D 1072, D 3031, D 4084, D 3246 or grab sample analysis by GC-FPD/TCD performed in the laboratory. [District Rule 2201] Federally Enforceable Through Title V Permit
16. Copies of fuel supplier sulfur content certification, and test results to determine compliance with the conditions of this permit shall be maintained. [District Rule 2201] Federally Enforceable Through Title V Permit
17. Except for certified gaseous fuels, all fuel sources shall be tested for sulfur content within 30 days of using the fuel source as fuel in the steam generator and at least once every 12 months thereafter. [District Rule 2201] Federally Enforceable Through Title V Permit
18. Source testing to measure natural gas-combustion NO_x and CO emissions from this unit shall be conducted within 60 days of initial start-up. [District Rules 2201, 4305 and 4306, 6.3] Federally Enforceable Through Title V Permit
19. 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 4305 and 4306, 6.3] Federally Enforceable Through Title V Permit
20. 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 and 4306, 5.5] Federally Enforceable Through Title V Permit
21. The source test plan shall identify which basis (ppmv or lb/MMBtu) will be used to demonstrate compliance. [District Rules 4305 and 4306, 5.5] Federally Enforceable Through Title V Permit
22. 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

PERMIT UNIT REQUIREMENTS CONTINUE ON NEXT PAGE

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23. NOx emissions for source test purposes shall be determined using EPA Method 7E or ARB Method 100 on a ppmv basis, or EPA Method 19 on a heat input basis. [District Rules 4305 and 4306, 6.2] Federally Enforceable Through Title V Permit
24. CO emissions for source test purposes shall be determined using EPA Method 10 or ARB Method 100. [District Rules 4305 and 4306, 6.2] Federally Enforceable Through Title V Permit
25. Stack gas oxygen (O₂) shall be determined using EPA Method 3 or 3A or ARB Method 100. [District Rules 4305 and 4306, 6.2] Federally Enforceable Through Title V Permit
26. 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 and 4306, 5.5] Federally Enforceable Through Title V Permit
27. 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
28. Permittee shall maintain records of the occurrence and duration of any startup, shutdown, or malfunction in the operation of this emissions unit, or any malfunction of the air pollution control equipment. [District Rule 4001 40CFR60, Subpart A] Federally Enforceable Through Title V Permit
29. 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, and 4306] Federally Enforceable Through Title V Permit

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