



San Joaquin Valley
AIR POLLUTION CONTROL DISTRICT



NOV 23 2010

Mr. Tim Alburger
Seneca Resources
2131 Mars Court
Bakersfield, CA 93308

**Re: Notice of Final Decision - ATC / Certificate of Conformity
Facility # S-1114
Project # 1095502**

Dear Mr. Alburger:

The Air Pollution Control Officer has issued an Authority to Construct permit to Seneca Resources for its heavy oil production facility. The subject equipment will operate at various specified locations in Seneca's western Kern County fields heavy oil stationary source, California. Seneca Resources is requesting an Authority to Construct for a 85 MMBTU/hr steam generator.

Enclosed is a copy of the Authority to Construct permit and a copy of the notice of final action to be published approximately three days from the date of this letter.

Notice of the District's preliminary decision to issue the Authority to Construct permit with Certificate of Conformity was published on September 22, 2010. The District's analysis of the proposal was also sent to CARB on September 22, 2010. No comments were received following the District's preliminary decision on this project.

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

DW: DT/cm

Enclosures



San Joaquin Valley

AIR POLLUTION CONTROL DISTRICT



NOV 23 2010

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

**Re: Notice of Final Decision - ATC / Certificate of Conformity
Facility # S-1114
Project # 1095502**

Dear Mr. Rios:

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Enclosures

Seyed Sadredin
Executive Director/Air Pollution Control Officer

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

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

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



NOV 23 2010

Mike Tollstrup, Chief
Project Assessment Branch
Air Resources Board
P O Box 2815
Sacramento, CA 95812-2815

Re: Notice of Final Decision - ATC / Certificate of Conformity
Facility # S-1114
Project # 1095502

Dear Mr. Tollstrup:

The Air Pollution Control Officer has issued an Authority to Construct permit to Seneca Resources for its heavy oil production facility. The subject equipment will operate at various specified locations in Seneca's western Kern County fields heavy oil stationary source, California. Seneca Resources is requesting an Authority to Construct for a 85 MMBTU/hr steam generator.

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David Warner
Director of Permit Services

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Tel: 661-392-5500 FAX: 661-392-5585

Bakersfield Californian

**NOTICE OF FINAL DECISION
FOR THE ISSUANCE OF AUTHORITY
TO CONSTRUCT PERMITS**

NOTICE IS HEREBY GIVEN that the Air Pollution Control Officer has issued an Authority to Construct permit to Seneca Resources for its heavy oil production facility. The subject equipment will operate at various specified locations in Seneca's western Kern County fields heavy oil stationary source, California. Seneca Resources is requesting an Authority to Construct for a 85 MMBTU/hr steam generator.

No comments were received following the District's preliminary decision on this project.

The application review for Project # S-1095502, is available for public inspection at http://www.valleyair.org/notices/public_notices_idx.htm and the District office at the address below. **SAN JOAQUIN VALLEY AIR POLLUTION CONTROL DISTRICT, 34946 FLYOVER COURT, BAKERSFIELD, CA 93726-0244.**



AUTHORITY TO CONSTRUCT

PERMIT NO: S-1114-113-0

ISSUANCE DATE: 11/15/2010

LEGAL OWNER OR OPERATOR: SENECA RESOURCES
MAILING ADDRESS: 2131 MARS COURT
BAKERSFIELD, CA 93308-6830

LOCATION: HEAVY OIL WESTERN
CA

EQUIPMENT DESCRIPTION:

85 MMBTU/HR PCL, OR EQUIVALENT, NATURAL GAS OR WASTE GAS-FIRED STEAM GENERATOR, WITH A NORTH AMERICAN LEL, OR EQUIVALENT, ULTRA LOW NOX BURNER AND FLUE GAS RECIRCULATION AUTHORIZED TO OPERATE AT VARIOUS SPECIFIED LOCATIONS

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 NSR Rule] 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. The permittee shall obtain written District approval for the use of any equivalent equipment not specifically approved by this ATC. Approval of the equivalent equipment shall be made in writing and only after the District's determination that the submitted design and performance of the proposed alternate equipment is equivalent to the authorized equipment [District Rule 2010] Federally Enforceable Through Title V Permit
4. The permittee's request for approval of equivalent equipment shall include the make, model, manufacturer's maximum rating, manufacturer's guaranteed emissions rates, equipment drawing(s) and operational characteristics/parameters [District Rule 2010] Federally Enforceable Through Title V Permit
5. This unit shall be equipped with horizontal convection section with at least 235 square feet of bare tube surface area (or thermodynamically equivalent number of square feet of finned tube) per MMBtu/hr of heat input. [Public Resources Code 21000-21177]

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-1114-113-0; Nov 15 2010 9:20AM - TORID : Joint Inspection NOT Required

6. This unit shall be equipped with variable frequency drive high efficiency electrical motors driving the blower and water pump. [Public Resources Code 21000-21177]
7. No air contaminant shall be released into the atmosphere which causes a public nuisance. [District Rule 4102]
8. Steam generator shall be equipped with operational fuel gas and waste gas volumetric flow meters. [District Rule 2201] Federally Enforceable Through Title V Permit
9. Only natural gas, or a combination of natural gas and waste gas shall be used as fuel in this steam generator. [District Rule 2201] Federally Enforceable Through Title V Permit
10. 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] Federally Enforceable Through Title V Permit
11. Particulate matter emissions shall not exceed 0.1 grains/dscf in concentration. [District Rule 4201] Federally Enforceable Through Title V Permit
12. The sulfur content of any fuel, or fuels combined, shall not exceed 1 grains of total sulfur (as H₂S) per 100 dscf of fuel gas. [District Rules 2201 and 4320] Federally Enforceable Through Title V Permit
13. If the unit is fired on noncertified gaseous fuel and compliance with SO_x emission limits is achieved through fuel sulfur content limitations, then the sulfur content of the gaseous fuel being fired in the unit shall be determined using ASTM D 1072, D 3031, D 3246, D 4084, D 4468, D 6667 or grab sample analysis by GC-FPD/TCD or double GC performed in the laboratory. [District Rule 1070, 2201, 2520, and 4320] Federally Enforceable Through Title V Permit
14. When complying with sulfur emission limits by fuel analysis or by a combination of source testing and fuel analysis, each fuel source shall be tested weekly for sulfur content and higher heating value. If compliance with the fuel sulfur content limit and sulfur emission limits has been demonstrated for 8 consecutive weeks for a fuel source, then the fuel testing frequency shall be semi-annually. If a semi-annual fuel content source test fails to show compliance, weekly testing shall resume. [District Rules 1070, 2201, 2520, and 4320] Federally Enforceable Through Title V Permit
15. If fuel analysis is used to demonstrate compliance with conditions of this permit, the fuel higher heating value for each fuel shall be certified by a third party fuel supplier or determined by ASTM D 1826 or D 1945 in conjunction with ASTM D 3588 for gaseous fuels. [District Rules 1070, 2201, 2520, and 4320] Federally Enforceable Through Title V Permit
16. Emissions shall not exceed any of the following limits: 7 ppmvd NO_x @ 3% O₂ or 0.0085 lb-NO_x/MMBtu, 0.00285 lb-SO_x/MMBtu, 0.0076 lb-PM₁₀/MMBtu, 42 ppmvd CO @ 3% O₂ or 0.031 lb-CO/MMBtu, or 0.00537 lb-VOC/MMBtu. [District Rules 2201, 4305, 4306 and 4320] Federally Enforceable Through Title V Permit
17. This steam generator is approved for operation at the following locations: NE/4 Section 18, NE/4 Section 19 and NW/4 Section 20, Township 11 North, Range 23 West; NE/4 Section 15, Township 31 South, Range 22 East; and NE/4 Section 24, Township 26 South, Range 20 East, MDB&M. [District Rule 4201] Federally Enforceable Through Title V Permit
18. 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
19. Flue gas recirculation system shall be operated whenever generator is operated. [District NSR Rule] Federally Enforceable Through Title V Permit
20. 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, 4306 and 4320] Federally Enforceable Through Title V Permit

CONDITIONS CONTINUE ON NEXT PAGE

21. 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 the performing the notification and testing required by this condition. [District Rules 4305, 4306 and 4320] Federally Enforceable Through Title V Permit
22. 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] Federally Enforceable Through Title V Permit
23. 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, 4306 and 4320] Federally Enforceable Through Title V Permit
24. 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 and 4320] Federally Enforceable Through Title V Permit
25. The source test plan shall identify which basis (ppmv or lb/MMBtu) will be used to demonstrate compliance. [District Rules 4305, 4306 and 4320] Federally Enforceable Through Title V Permit
26. Source testing to measure 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] Federally Enforceable Through Title V Permit
27. 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] Federally Enforceable Through Title V Permit
28. When the unit changes fuel source, the unit shall undergo source testing to measure NO_x and CO emissions within 60 days of the change unless the unit has already undergone source testing in the last twelve (12) months or thirty-six (36) months after demonstrating compliance on the previous two (2) source tests when fired on that fuel source. [District Rule 2201] Federally Enforceable Through Title V Permit
29. Compliance demonstration (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
30. Source testing shall be conducted using the methods and procedures approved by the District. The District must be notified 30 days prior to any compliance source test, and a source test plan must be submitted for approval 15 days prior to testing. [District Rule 1081] Federally Enforceable Through Title V Permit
31. 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
32. 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] Federally Enforceable Through Title V Permit

CONDITIONS CONTINUE ON NEXT PAGE

33. CO emissions for source test purposes shall be determined using EPA Method 10 or ARB Method 100. [District Rules 4305, 4306 and 4320] Federally Enforceable Through Title V Permit
34. Stack gas oxygen (O₂) shall be determined using EPA Method 3 or 3A or ARB Method 100. [District Rules 4305, 4306 and 4320] Federally Enforceable Through Title V Permit
35. 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 District Rule 4301, 5.1 and 5.2.3] Federally Enforceable Through Title V Permit
36. Emissions of sulfur compounds from this unit shall not exceed 200 lb per hour, calculated as SO₂. Compliance with this requirement may be demonstrated by testing the sulfur content of each fuel and determining the maximum hourly emissions of sulfur compounds by multiplying the sulfur content of each fuel in lb/MMBtu by the maximum heat input rating of the unit. [District Rule 2520, 9.3.2 and District Rule 4301, 5.2.1] Federally Enforceable Through Title V Permit
37. The concentration of sulfur compounds in the exhaust from this unit shall not exceed 0.2% by volume as measured on a dry basis over a 15 minute period. To demonstrate compliance with this requirement the operator shall test the sulfur content of each fuel source and demonstrate the sulfur content does not exceed 3.3% by weight for gaseous fuels. [District Rule 2520, 9.3.2, Kern County Rule 407] Federally Enforceable Through Title V Permit
38. 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
39. Permittee shall maintain a record of the duration of each startup and shutdown of this unit. [District Rules 4305, 4306 and 4320] Federally Enforceable Through Title V Permit
40. Copies of all fuel invoices showing quantity and delivery points of gas delivered and copies of quality terms of gas delivery contracts shall be maintained. The operator shall record daily amount and type(s) of fuel(s) combusted and all dates on which unit is fired on any noncertified fuel and record specific type of noncertified fuel used. [District Rule 2520, 9.3.2] Federally Enforceable Through Title V Permit
41. Documentation showing that this unit is equipped with a horizontal convection section with at least 235 square feet of bare tube surface area (or thermodynamically equivalent number of square feet of finned tube) per MMBtu/hr of heat input and equipped with variable frequency drive high efficiency electrical motors driving the blower and water pump shall be retained on site. [Public Resources Code 21000-21177]
42. 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
43. Prior to operating equipment under this Authority to Construct, permittee shall surrender NOX emission reduction credits for the following quantity of emissions: 1st quarter - 1582 lb, 2nd quarter - 1582 lb, 3rd quarter - 1582 lb, and fourth quarter - 1582 lb. Offsets shall be provided at the applicable offset ratio specified in Table 4-2 of Rule 2201 (as amended 9/21/06). [District Rule 2201]
44. ERC Certificate Numbers S-1547-2 and S-3080-2 (or certificate(s) split from the certificate(s)) shall be used to supply the required offsets, unless a revised offsetting proposal is received and approved by the District, upon which this Authority to Construct shall be reissued, administratively specifying the new offsetting proposal. Original public noticing requirements, if any, shall be duplicated prior to reissuance of this Authority to Construct. [District Rule 2201]
45. Prior to operating equipment under this Authority to Construct, permittee shall surrender SOX emission reduction credits for the following quantity of emissions: 1st quarter - 531 lb, 2nd quarter - 531 lb, 3rd quarter - 531 lb, and fourth quarter - 531 lb. Offsets shall be provided at the applicable offset ratio specified in Table 4-2 of Rule 2201 (as amended 9/21/06). [District Rule 2201]
46. ERC Certificate Numbers S-3293-5 (or a certificate split from the certificate) shall be used to supply the required offsets, unless a revised offsetting proposal is received and approved by the District, upon which this Authority to Construct shall be reissued, administratively specifying the new offsetting proposal. Original public noticing requirements, if any, shall be duplicated prior to reissuance of this Authority to Construct. [District Rule 2201]

CONDITIONS CONTINUE ON NEXT PAGE

47. Prior to operating equipment under this Authority to Construct, permittee shall surrender PM10 emission reduction credits for the following quantity of emissions: 1st quarter - 1415 lb, 2nd quarter - 1415 lb, 3rd quarter - 1415 lb, and fourth quarter - 1415 lb. Offsets shall be provided at the applicable offset ratio specified in Table 4-2 of Rule 2201 (as amended 9/21/06). [District Rule 2201]
48. ERC Certificate Numbers S-3287-4, S-3289-4, S-3290-4 and S-3293-5 (or certificate(s) split from the certificate(s)) shall be used to supply the required offsets, unless a revised offsetting proposal is received and approved by the District, upon which this Authority to Construct shall be reissued, administratively specifying the new offsetting proposal. Original public noticing requirements, if any, shall be duplicated prior to reissuance of this Authority to Construct. [District Rule 2201]
49. Prior to operating equipment under this Authority to Construct, permittee shall surrender VOC emission reduction credits for the following quantity of emissions: 1st quarter - 1000 lb, 2nd quarter - 1000 lb, 3rd quarter - 1000 lb, and fourth quarter - 1000 lb. Offsets shall be provided at the applicable offset ratio specified in Table 4-2 of Rule 2201 (as amended 9/21/06). [District Rule 2201]
50. ERC Certificate Number S-3291-1 (or certificate(s) split from the certificate) shall be used to supply the required offsets, unless a revised offsetting proposal is received and approved by the District, upon which this Authority to Construct shall be reissued, administratively specifying the new offsetting proposal. Original public noticing requirements, if any, shall be duplicated prior to reissuance of this Authority to Construct. [District Rule 2201]