OCT 26 2009

Dean Leal
Onyx Oil Service
9530 Hageman Road, suite B #398
Bakersfield, CA 93312

RE: Notice of Final Action - Authority to Construct
Project Number: S-1093875

Dear Mr. Leal:

The Air Pollution Control Officer has issued an Authority to Construct permit to Onyx Oil Service for a well test flare, to be used at various unspecified location within the San Joaquin Valley Air Pollution Control District.

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 this Authority to Construct was published on August 20, 2009. The District's analysis of the proposal was also sent to CARB on August 17, 2009. 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 at (661) 326-6900.

Sincerely,

[Signature]

David Warner
Director of Permit Services

DW:DBT/lS

Enclosures
OCT 26 2009

Mike Tollstrup, Chief
Project Assessment Branch
Stationary Source Division
California Air Resources Board
PO Box 2815
Sacramento, CA 95812-2815

RE: Notice of Final Action - Authority to Construct
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[Signature]
David Warner
Director of Permit Services

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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) 230-8000 FAX: (559) 230-8081

Southern Region
34846 Flyover Court
Bakersfield, CA 93308-8725
Tel: 661-392-5500 FAX: 661-392-5585

www.valleyair.org www.healthyairliving.com
NOTICE OF FINAL ACTION
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 Onyx Oil Service for a well test flare, to be used at various unspecified location within the San Joaquin Valley Air Pollution Control District.

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

The application review for Project #S-1093875 is available for public inspection at http://www.valleyair.org/notices/public_notices_idx.htm and the SAN JOAQUIN VALLEY UNIFIED AIR POLLUTION CONTROL DISTRICT, 1990 EAST GETTYSBURG AVENUE, FRESNO, CA 93726.
AUTHORITY TO CONSTRUCT

PERMIT NO: S-7620-1-0
LEGAL OWNER OR OPERATOR: ONYX OIL SERVICES
MAILING ADDRESS: 9530 HAGEMAN ROAD
                   SUITE B #398
                   BAKERSFIELD, CA 93312
LOCATION: VARIOUS LOCATIONS, SJVAPCD
EQUIPMENT DESCRIPTION: 3" DIA. X 20' TALL, AIR ASSISTED, 62.5 MM BTU/HR MACTRONIC WELL TEST FLARE WITH 316SS FLARE TIP, CONTINUOUS PILOT, SOLAR POWERED IGNITION SYSTEM, OPERATED AT VARIOUS UNSPECIFIED LOCATIONS, SJVAPCD

CONDITIONS

1. No air contaminant shall be released into the atmosphere which causes a public nuisance. [District Rule 4102]
2. The flare shall be equipped with continuous pilot, automatic re-ignitor, and operational flared gas volumetric flowmeter. [District Rule 2201]
3. No part of this operation shall be located within 1,000 feet of any K-12 school, residence, or place of business. [District Rule 2201; CH&SC 41700 and 42301.6]
4. Permittee shall notify the District Compliance Division in writing of each location at which a flare 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 2201]
5. Air assist blower shall be utilized unless a District-approved analysis by an independent testing laboratory shows the hydrogen to carbon weight ratio of the flared gas is less than 0.28. [District Rule 2201]
6. Only propane or natural gas shown to have a sulfur content no greater than 1 gr/100scf may be used as pilot fuel. [District Rule 2201]
7. Particulate matter emissions shall not exceed 0.1 grains/dscf in concentration. [District Rule 4201]

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 Sadreddin, Executive Director / APCO

DAVID WARNER, Director of Permit Services
Southern Regional Office • 34946 Flyover Court • Bakersfield, CA 93308 • (661) 392-5500 • Fax (661) 392-5585
Conditions for S-7520-1-0 (continued)

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 1/4 or 5% opacity. [District Rules 2201 and 4101]

9. Sulfur content of gas combusted in the flare shall not exceed 1,000 ppmv as total sulfur. [District Rules 2201 and 4801]

10. Flare emissions shall not exceed any of the following: 0.068 lb-NOx/MMBtu, 0.026 lb-PM10/MMBtu, 0.370 lb-CO/MMBtu, or 0.063 lb-VOC/MMBtu. [District Rule 2201]

11. Quantity of gas combusted by the flare shall not exceed 1.5 MMscf/day or 294.1 MMscf/year. [District Rule 2201]

12. Permittee shall determine the sulfur content of the gas for each new welltested, using ASTM method D3246 or double GC for H2S and mercaptans by an independent testing laboratory. Records of well gas sulfur content shall be maintained for a period of at least five years and made available for District inspection upon request. [District Rule 2201]

13. The permittee shall maintain records of each location at which the equipment was operated, the dates operated at each location, and the hours of operation at each location. The records shall be retained for a period of at least five years and made available for District inspection upon request. [District Rule 1070]

14. Records of flare's daily and annual gas consumption shall be maintained for a period of at least five years and made available for District inspection upon request. [District Rules 2201 and 4311]