FEB 03 2011

Timothy Alburger
Seneca Western Minerals
P.O. Box 9279
Bakersfield, CA 93389-9279

RE: Notice of Final Action - Authority to Construct
Project Number: S-1103508

Dear Mr. Alburger:

The Air Pollution Control Officer has issued Authority to Construct permits to Seneca Western Minerals for reducing waste gas flow from a 16.5 MM Btu/hr flare to no more than 4.9 MM Btu/hr for a flare minimization plan exemption from Rule 4311, at Seneca's heavy oil western stationary source.

Enclosed are copies of the Authority to Construct permits 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 December 28, 2010. The District's analysis of the proposal was also sent to CARB and US EPA Region IX on December 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 at (661) 392-5500.

Sincerely,

[Signature]
David Warner
Director of Permit Services

DW: RCR/cm

Enclosures
FEB 03 2011

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
Project Number: S-1103508

Dear Mr. Tollstrup:

The Air Pollution Control Officer has issued Authority to Construct permits to Seneca Western Minerals for reducing waste gas flow from a 16.5 MM Btu/hr flare to no more than 4.9 MM Btu/hr for a flare minimization plan exemption from Rule 4311, at Seneca's heavy oil western stationary source.

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Sincerely,

[Signature]

David Warner
Director of Permit Services

DW: RCR/cm

Enclosures
FEB 03 2011

Gerardo C. Rios (AIR 3)
Chief, Permits Office
Air Division
U.S. E.P.A. - Region IX
75 Hawthorne Street
San Francisco, CA 94105

RE: Notice of Final Action - Authority to Construct
Project Number: S-1103508

Dear Mr. Rios:

The Air Pollution Control Officer has issued Authority to Construct permits to Seneca Western Minerals for reducing waste gas flow from a 16.5 MM Btu/hr flare to no more than 4.9 MM Btu/hr for a flare minimization plan exemption from Rule 4311, at Seneca's heavy oil western stationary source.

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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

DW: RCR/cm

Enclosures
NOTICE OF FINAL ACTION
FOR THE ISSUANCE OF AUTHORITY
TO CONSTRUCT PERMITS

NOTICE IS HEREBY GIVEN that the Air Pollution Control Officer has issued Authority to Construct permits to Seneca Western Minerals for reducing waste gas flow from a 16.5 MM Btu/hr flare to no more than 4.9 MM Btu/hr for a flare minimization plan exemption from Rule 4311, at Seneca's heavy oil western stationary source.

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

The application review for Project # S-1103508 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, 34946 FLYOVER COURT, BAKERSFIELD, CA 93308
AUTHORITY TO CONSTRUCT

PERMIT NO: S-3755-10-6
LEGAL OWNER OR OPERATOR: SENECA WESTERN MINERALS CORP.
MAILING ADDRESS: 2131 MARS COURT
BAKERSFIELD, CA 93308
LOCATION: HEAVY OIL WESTERN
SECTION: NW18 TOWNSHIP: 11N RANGE: 23W
EQUIPMENT DESCRIPTION:
MODIFICATION OF 16.5 MMBTU/HR AIR ASSISTED PRODUCED GAS FLARE: LIMIT HEAT INPUT CAPACITY TO 4.9 MMBTU/HR FOR FLARE MINIMIZATION PLAN EXEMPTION FROM RULE 4311

CONDITIONS

1. Capacity of flare shall not exceed 4.9 MMBtu/hr. [District Rules 2201 and 4311]
2. Except for the pilot, the gas inlet to flare shall be equipped with recording flow rate meter. [District Rules 2201 and 4311]
3. Operator shall demonstrate the heat input capacity of the flare daily by calculation, using the metered volume of the gas delivered to the flare and the most current measured heating value of the gas stream. Except for the pilot, heating value for the gas stream shall be determined at least once every six months by sample analysis. [District Rule 2201 and 4311]
4. No air contaminant shall be released into the atmosphere which causes a public nuisance. [District Rule 4102]
5. 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 Rule 2201]
6. Air-assist blower shall be maintained and operated for smokeless combustion. [District Rules 2201 and 4101]
7. Flare shall be equipped with continuous pilot fired solely on propane or natural gas consisting primarily of methane containing no more than 0.75 grains of total sulfur per 100 standard cubic feet of gas and no more than 5% by weight hydrocarbons heavier than butane. [District Rules 2201 and 4311]

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 Sadreolin, Executive Director / APCO

DAVID WARNER, Director of Permit Services
0-3755-10-6 • 02 27 2011 12:33AM • RIN#0080-0000-00
Southern Regional Office • 34946 Flyover Court • Bakersfield, CA 93308 • (661) 392-5500 • Fax (661) 392-5585
8. Except for flares equipped with a flow-sensing ignition system, a heat sensing device such as a thermocouple, ultraviolet beam sensor, infrared sensor, or an equivalent device, capable of continuously detecting at least one pilot flame or the flare flame is present shall be installed and operated. [District Rule 4311]

9. Flares that use flow-sensing automatic ignition systems and which do not use a continuous flame pilot shall use purge gas for purging. [District Rule 4311, 5.5]

10. Pilot gas flow rate to flare shall not exceed 100 scf per hour. [District Rule 2201]

11. The flame shall be present at all times when combustible gases are vented through the flare. [District Rule 4311]

12. Open flares in which the flare gas pressure is less than 5 psig shall be operated in such a manner that meets the provisions of 40 CFR 60.18. [District Rule 4311, 5.6]

13. Sulfur content of produced (TEOR) gas combusted shall not exceed 500 ppmv. [District Rules 2201 and 4801]

14. Emissions from this permit unit shall not exceed any of the following: PM10: 0.008 lb/MMBtu; NOx (as NO2): 0.068 lb/MMBtu; VOC: 0.063 lb/MMscf; or CO: 0.37 lb/MMBtu. [District Rule 2201]

15. Weekly records of the produced (TEOR) gas sulfur content and daily records of produced (TEOR) gas flow rate shall be maintained. [District Rule 2201]

16. Permittee shall determine sulfur content of gas flared weekly using ASTM method D3246 or double GC for H2S and mercaptans or Draeger tube analysis. Sulfur content of produced (TEOR) gas shall be measured within one day of restarting unit if the unit has not been in use for more than 7 days. [District Rules 1081 and 2201]

17. All records, including required monitoring data and support information, shall be maintained and retained for a period of 5 years and made available for inspection at any time. [District Rules 1070 and 4311]

18. This facility and facility S-1114 are both in the same stationary source.