OCT 11 2012

James Leal
PROs Inc
PO Box 20996
Bakersfield, CA 93390

RE: Notice of Final Action - Authority to Construct
Project Number: S-1123148

Dear Mr. Leal:

The Air Pollution Control Officer has issued Authority to Construct permits to PROs Inc for modification to a portable well testing operation by increasing the flared gas flow rate from 0.27 MMscf/day to 10 MMscf/day and from 54 MMscf/yr to 288 MMscf/yr, at various unspecified locations, SJVAPCD.

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 September 7, 2012. The District’s analysis of the proposal was also sent to CARB on August 29, 2012. 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,

David Warner
Director of Permit Services

DW: RUE/cm

Enclosures
OCT 11 2012

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-1123148

Dear Mr. Tollstrup:

The Air Pollution Control Officer has issued Authority to Construct permits to PROs Inc for modification to a portable well testing operation by increasing the flared gas flow rate from 0.27 MMscf/day to 10 MMscf/day and from 54 MMscf/yr to 288 MMscf/yr, at various unspecified locations, SJVAPCD.

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Thank you for your cooperation in this matter. If you have any questions, please contact Mr. Leonard Scandura at (561) 392-5500.

Sincerely,

[Signature]

David Warner
Director of Permit Services

DW: RUE/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 PROs Inc for modification to a portable well testing operation by increasing the flared gas flow rate from 0.27 MMscf/day to 10 MMscf/day and from 54 MMscf/yr to 288 MMscf/yr, at various unspecified locations, SJVAPCD.

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

The application review for Project #S-1123148 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-7045-15-1

LEGAL OWNER OR OPERATOR: PROS INC
MAILING ADDRESS: P O BOX 20996
BAKERSFIELD, CA 93390-0996

LOCATION: VARIOUS LOCATIONS, SJVUAPCD

EQUIPMENT DESCRIPTION:
MODIFICATION OF WELL TESTING / DRILLING OPERATIONS (MITIGATE GAS KICKS DURING DRILLING) WITH PORTABLE 0.27 MMSCF/DAY FLARE WITH OPTIONAL USE AIR-ASSIST, WITH GAS / LIQUID SEPARATOR(S) OPERATED AT VARIOUS UNSPECIFIED LOCATIONS SJVUAPCD: INCREASE FLOW RATE FROM 0.27 MMSCF/DAY TO 10 MMSCF/DAY AND 54 MMSCF/YR TO 288 MMSCF/YR

ISSUANCE DATE: 10/09/2012

CONDITIONS

1. The equipment shall not be located within 1000 ft. of any K-12 school. [CH&SC 42301.6]
2. Flare shall only be used to combust gas released during well testing. [District Rule 2201]
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. No air contaminant shall be released into the atmosphere which causes a public nuisance. [District Rule 4102]
5. Permittee shall notify the District Compliance Division of each location at which the operation 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]
6. Flare shall not be operated in well testing operations at any location in conjunction with any other flare or combustion equipment operated by PROs Inc. [District Rule 2201]
7. Unit S-7045-15 must not be located and operated at an existing facility or operation such that it becomes part of an existing stationary source as defined by District Rule 2201. [District Rule 2201]
8. Flare shall not operate within 1,500 feet of a business or residential receptor or the facility boundary. [District Rule 4102]

CONDITIONS CONTINUE ON NEXT PAGE

YOU MUST NOTIFY THE DISTRICT COMPLIANCE DIVISION AT (661) 392-5500 WHEN CONSTRUCTION IS COMPLETED AND PRIOR TO OPERATING THE EQUIPMENT OR MODIFICATIONS AUTHORIZED BY THIS AUTHORITY TO CONSTRUCT. THIS IS NOT A PERMIT TO OPERATE. Approval or denial of a PERMIT TO OPERATE will be made after an inspection to verify that the equipment has been constructed in accordance with the approved plans, specifications and conditions of this Authority to Construct, and to determine if the equipment can be operated in compliance with all Rules and Regulations of the San Joaquin Valley Unified Air Pollution Control District. Unless construction has commenced pursuant to Rule 2050, this Authority to Construct shall expire and application shall be cancelled two years from the date of issuance. The applicant is responsible for complying with all laws, ordinances and regulations of all other governmental agencies which may pertain to the above equipment.

Seyed Sadredin, Executive Director / APCO

DAVID WARNER, Director of Permit Services
Southern Regional Office • 34946 Flyover Court • Bakersfield, CA 93308 • (661) 392-5500 • Fax (661) 392-5585
9. This permit shall not authorize the utilization of any IC engine, or other combustion device requiring a separate permit, for powering the air assist to the flare. [District Rule 2201]

10. Flare shall be equipped with air assist which shall be utilized when needed to maintain visible emissions below Ringlemann 1/4 and 5% opacity. [District Rule 2201]

11. Flare shall be equipped with operational automatic re-ignition provisions. [District Rule 2201]

12. Gas line to flare shall be equipped with operational, volumetric flow rate indicator. [District Rule 2201]

13. Daily and annual amounts of gas flared shall not exceed 10 MMSCF/day nor 288 MMSCF/yr. [District Rules 2201 and 4102]

14. Visible emissions shall not exhibit Ringlemann 1/4 or greater or equivalent 5% opacity or greater for more than three minutes in any one hour. [District Rule 2201]

15. Sulfur compound concentration (as H2S) of gas flared shall not exceed 5 gr H2S/100 scf (79.6 ppmv H2S). [District Rules 2201 and 4801]

16. Emission rates shall not exceed any of the following: 0.008 lb-PM10/MMBtu, 0.068 lb-NOx/MMBtu (as NO2), 0.063 lb-VOC/MMBtu, or 0.37 lb-CO/MMBtu. [District Rules 2201 and 4201]

17. The flare shall be operated according to the manufacturer's specifications, a copy of which shall be maintained on site. [District Rule 2201]

18. Permittee shall inspect the flare in operation for visible emissions no less frequently than once every two weeks. If visible emissions are observed, corrective action shall be taken. If visible emissions persist, an EPA Method 9 test shall be performed within 72 hours. [District Rule 2201]

19. Permittee shall document compliance with well gas sulfur compound concentration limit by performing sulfur content analysis of well gas upon startup at each new location of operation of flare. [District Rule 2201]

20. The following test methods shall be used for well gas sulfur content: ASTM D3246 or double GC for H2S and mercaptan. [District Rule 1081]

21. Permittee shall maintain accurate daily records indicating flare location, flared gas sulfur content at each location, and daily and annual rates of gas flared; and such records shall be made readily available for District inspection upon request for a minimum of 5 years. [District Rules 2201 and 4311]