FLORIDA DEPARTMENT OF ENVIRONMENTAL PROTECTION
160 West Government Street, Suite 308
Pensacola, Florida 32502-5794

Rick Scott
Governor

Carlos Lopez-Cantera
Lt. Governor

Herschel T. Vinyard Jr.
Secretary

May 8, 2014

Electronic Mail – Received Receipt Requested
jthompson@qracq.com

Justin Thompson, Environmental Health and Safety Manager
Quantum Resources Management, LLC
5 Houston Center
1401 McKinney Street, Suite 2400
Houston, Texas 77010

Re: Permit No. 1130005-016-AV
St. Regis Gas Treatment Facility and Jay Gas Plant
Title V Air Operation Permit Revision

Dear Mr. Thompson:

Enclosed is the Draft/Proposed permit package to revise the Title V Air Operation Permit for St. Regis Gas Treatment Facility and Jay Gas Plant. This facility is located in Santa Rosa County at 5415 Oil Plant Road in Jay, Florida. The permit package includes the following documents:

- The Statement of Basis, which summarizes the facility, the equipment, and the primary rule applicability, and the changes since the last Title V renewal.
- The Draft/Proposed Title V Air Operation Permit Revision, which includes the specific permit conditions that regulate the emissions units covered by the proposed project.
- The Written Notice of Intent to Issue Air Permit provides important information regarding: the Permitting Authority's intent to issue an air permit for the proposed project; the requirements for publishing a Public Notice of the Permitting Authority's intent to issue an air permit; the procedures for submitting comments on the draft/proposed permit; the process for filing a petition for an administrative hearing; and the availability of mediation.
- The Public Notice of Intent to Issue Air Permit is the actual notice that you must have published in the legal advertisement section of a newspaper of general circulation in the area affected by this project. The Public Notice of Intent to Issue Air Permit must be published as soon as possible and the proof of publication must be provided to the Department within seven days of the date of publication. Proof of publication may be submitted electronically to the permitting authority at epost_nwdwasteair@dep.state.fl.us and copied to nwdair@dep.state.fl.us. Because this permit is being processed as a

combined draft/proposed permit in order to reduce processing time, a duplicate copy of the proof of publication must also be transmitted by electronic mail within seven days of the date of publication to Ms. Ana Oquendo at EPA Region 4 at the following address: oquendo.ana@epamail.epa.gov.

If you have any questions, please contact the Project Engineer, Angelia Jackson, by telephone at 850.595.05984 or by e-mail at angelia.jackson@dep.state.fl.us.

Sincerely,

___/s/_____
J. Charles Harp
Program Administrator
Waste Management/Air Resources
Northwest District

Enclosures

JCH/aj/m

In the Matter of an
Application for Title V Air Operation Permit by:

Quantum Resources Management, LLC
5 Houston Center
1401 McKinney Street, Suite 2400
Houston, Texas 77010

Responsible Official:
Justin Thompson, Environmental Health and Safety Manager

Permit No. 1130005-016-AV
Facility ID No1130005
St. Regis Gas Treatment Facility and Jay Gas Plant
Title V Permit Revision
Santa Rosa County, Florida

Facility Location: Quantum Resources Management, LLC operates the St. Regis Gas Treatment Facility and Jay Gas Plant, which is located in Santa Rosa County at 5415 Oil Plant Road in Jay, Florida.

Project: The purpose of this project is to revise Title V air operation permit No. 1130005-012-AV, for the above referenced facility. Details of the project are provided in the application and the enclosed Statement of Basis.

Permitting Authority: Applications for Title V air operation permits are subject to review in accordance with the provisions of Chapter 403, Florida Statutes (F.S.) and Chapters 62-4, 62-210, 62-213 of the Florida Administrative Code (F.A.C.). The proposed project is not exempt from air permitting requirements and a Title V air operation permit is required to operate the facility. The Department of Environmental Protection's Air Resource Section in the Northwest District is the Permitting Authority responsible for making a permit determination for this project. The Permitting Authority's physical and mailing address is: 160 W Government Street, Suite 308, Pensacola, Florida 32502-5740. The Permitting Authority's telephone number is 850.595.8300.

Project File: A complete project file is available for public inspection during the normal business hours of 8:00 a.m. to 5:00 p.m., Monday through Friday (except legal holidays), at the address indicated above for the Permitting Authority. The complete project file includes the draft permit, the statement of basis, the application, and the information submitted by the applicant, exclusive of confidential records under Section 403.111, F.S. Interested persons may view the draft permit by visiting the following website: http://www.dep.state.fl.us/air/emission/apds/default.asp and entering the permit number shown above. Interested persons may contact the Permitting Authority's project review engineer for additional information at the address or phone number listed above.

Notice of Intent to Issue Permit: The Permitting Authority gives notice of its intent to issue a draft/proposed Title V air operation permit revision to the applicant for the project described above. The applicant has provided reasonable assurance that continued operation of the existing equipment will not adversely impact air quality and that the project will comply with all appropriate provisions of Chapters 62-4, 62-204, 62-210, 62-212, 62-213, 62-296 and 62-297, F.A.C. The Permitting Authority will issue a proposed permit and subsequent final permit in accordance with the conditions of the draft/proposed permit unless a response received in accordance with the following procedures results in a different decision or a significant change of terms or conditions.

Public Notice: Pursuant to Section 403.815, F.S. and Rules 62-110.106 and 62-210.350, F.A.C., you (the applicant) are required to publish at your own expense the enclosed Public Notice of

Intent to Issue Air Permit (Public Notice). The Public Notice shall be published one time only as soon as possible in the legal advertisement section of a newspaper of general circulation in the area affected by this project. The newspaper used must meet the requirements of Sections 50.011 and 50.031, F.S. in the county where the activity is to take place. If you are uncertain that a newspaper meets these requirements, please contact the Permitting Authority at the above address or phone number. Pursuant to Rule 62-110.106(5) and (9), F.A.C., the applicant shall provide proof of publication to the Permitting Authority at the above address within seven days of publication. Proof of publication may be submitted electronically to the permitting authority at epost_nwdwasteair@dep.state.fl.us and copied to nwdair@dep.state.fl.us. Failure to publish the notice and provide proof of publication may result in the denial of the permit pursuant to Rule 62-110.106(11), F.A.C.

Comments: The Permitting Authority will accept written comments concerning the draft/proposed Title V air operation permit for a period of 30 days from the date of publication of the Public Notice. Written comments must be received by the close of business (5:00 p.m.), on or before the end of this 30-day period by the Permitting Authority at the above address. As part of his or her comments, any person may also request that the Permitting Authority hold a public meeting on this permitting action. If the Permitting Authority determines there is sufficient interest for a public meeting, it will publish notice of the time, date, and location in the Florida Administrative Weekly (FAW). If a public meeting is requested within the 30-day comment period and conducted by the Permitting Authority, any oral and written comments received during the public meeting will also be considered by the Permitting Authority. If timely received written comments or comments received at a public meeting result in a significant change to the draft/proposed permit, the Permitting Authority shall issue a revised draft/proposed permit and require, if applicable, another Public Notice. All comments filed will be made available for public inspection. For additional information, contact the Permitting Authority at the above address or phone number.

Petitions: A person whose substantial interests are affected by the proposed permitting decision may petition for an administrative hearing in accordance with Sections 120.569 and 120.57, F.S. Petitions filed by the applicant or any of the parties listed below must be filed within 14 days of receipt of this written notice of Intent to Issue Air Permit. Petitions filed by any persons other than those entitled to written notice under Section 120.60(3), F.S., must be filed within 14 days of publication of the attached Public Notice or within 14 days of receipt of this written notice of Intent to Issue Air Permit, whichever occurs first. Under Section 120.60(3), F.S., however, any person who asked the Permitting Authority for notice of agency action may file a petition within 14 days of receipt of that notice, regardless of the date of publication. A petitioner shall mail a copy of the petition to the applicant at the address indicated above, at the time of filing. A petition for administrative hearing must contain the information set forth below and must be filed (received) with the Agency Clerk in the Office of General Counsel, 3900 Commonwealth Boulevard, MS 35, Tallahassee, Florida 32399-3000, Agency.Clerk@dep.state.fl.us, before the deadline. The failure of any person to file a petition within the appropriate time period shall constitute a waiver of that person's right to request an administrative determination (hearing) under Sections 120.569 and 120.57, F.S., or to intervene in this proceeding and participate as a party to it. Any subsequent intervention (in a proceeding initiated by another party) will be only at the approval of the presiding officer upon the filing of a motion in compliance with Rule 28-106.205, F.A.C.

A petition that disputes the material facts on which the Permitting Authority's action is based must contain the following information: (a) The name and address of each agency affected and

each agency's file or identification number, if known; (b) The name, address, any email address, telephone number and any facsimile number of the petitioner; the name, address, any email address, telephone number, and any facsimile number of the petitioner's representative, if any, which shall be the address for service purposes during the course of the proceeding; and an explanation of how the petitioner's substantial interests will be affected by the agency determination; (c) A statement of when and how each petitioner received notice of the agency action or proposed decision; (d) A statement of all disputed issues of material fact. If there are none, the petition must so indicate; (e) A concise statement of the ultimate facts alleged, including the specific facts the petitioner contends warrant reversal or modification of the agency's proposed action; (f) A statement of the specific rules or statutes the petitioner contends require reversal or modification of the agency's proposed action including an explanation of how the alleged facts relate to the specific rules or statutes; and, (g) A statement of the relief sought by the petitioner, stating precisely the action the petitioner wishes the agency to take with respect to the agency's proposed action. A petition that does not dispute the material facts upon which the Permitting Authority's action is based shall state that no such facts are in dispute and otherwise shall contain the same information as set forth above, as required by Rule 28-106.301, F.A.C.

Because the administrative hearing process is designed to formulate final agency action, the filing of a petition means that the Permitting Authority's final action may be different from the position taken by it in this written notice of Intent to Issue Air Permit. Persons whose substantial interests will be affected by any such final decision of the Permitting Authority on the application have the right to petition to become a party to the proceeding, in accordance with the requirements set forth above.

Mediation: Mediation is not available in this proceeding.

EPA Review: EPA has agreed to treat the Draft/Proposed Title V Air Operation Permit as a proposed Title V Air Operation Permit and to perform its 45-day review provided by the law and regulations concurrently with the public comment period, provided that the applicant also transmits an electronic copy of the required proof of publication directly to EPA at the following email address: oquendo.ana@epamail.epa.gov. Although EPA's 45-day review period will be performed concurrently with the public comment period, the deadline for submitting a citizen petition to object to the EPA Administrator will be determined as if EPA's 45-day review period is performed after the public comment period has ended. The final Title V air operation permit will be issued after the conclusion of the 45-day EPA review period so long as no adverse comments are received that result in a different decision or significant change of terms or conditions. The status regarding EPA's 45–day review of this project and the deadline for submitting a citizen petition can be found at the following website address: http://www.epa.gov/region4/air/permits/Florida.htm.

Objections: Finally, pursuant to 42 United States Code (U.S.C.) Section 7661d(b)(2), any person may petition the Administrator of the EPA within 60 days of the expiration of the Administrator's 45-day review period as established at 42 U.S.C. Section 7661d(b)(1), to object to the issuance of any Title V air operation permit. Any petition shall be based only on objections to the Permit that were raised with reasonable specificity during the 30-day public comment period provided in the Public Notice, unless the petitioner demonstrates to the Administrator of the EPA that it was impracticable to raise such objections within the comment period or unless the grounds for such objection arose after the comment period. Filing of a petition with the Administrator of the EPA does not stay the effective date of any permit properly

issued pursuant to the provisions of Chapter 62-213, F.A.C. Petitions filed with the Administrator of EPA must meet the requirements of 42 U.S.C. Section 7661d(b)(2) and must be filed with the Administrator of the EPA at: U.S. EPA, 401 M Street, S.W., Washington, D.C. 20460. For more information regarding EPA review and objections, visit EPA's Region 4 web site at http://www.epa.gov/region4/air/permits/Florida.htm .

Executed in Pensacola, Florida.

_____/s/_____
J. Charles Harp
Program Administrator
Waste Management/Air Resources
Northwest District

CERTIFICATE OF SERVICE

The undersigned duly designated deputy agency clerk hereby certifies that this Written Notice of Intent to Issue Title V Air Operation Permit (including the Public Notice, the Statement of Basis, and the Draft/Proposed Permit), or a link to these documents available electronically on a publicly accessible server, was sent by electronic mail with received receipt requested before the close of business on May 8, 2014 to the persons listed below.

Mr. Justin Thompson, QRM, EH&S Manager, jthompson@qracq.com
Mr. Larry Dilmore, QRM, ldilmore@qracq.com
Mr. Barry Andrews, P.E., Antea Group, barry.andrews@anteagroup.com
Ms. Ana Oquendo, EPA Region 4, oquendo.ana@epa.gov
Ms. Natasha Hazziez, U.S. EPA Region 4, hazziez.natasha@epa.gov
Ms. Barbara Friday, DEP BAR, barbara.friday@dep.state.fl.us (for posting with U.S. EPA, Region 4)

FILED, on this date, pursuant to Section 120.52(7), Florida Statutes, with the designated agency clerk, receipt of which is hereby acknowledged.

_____/s/_____ May 8, 2014
Clerk Date