FLORIDA DEPARTMENT OF
ENVIRONMENTAL PROTECTION

NORTHWEST DISTRICT
160 W. GOVERNMENT STREET
PENSACOLA, FLORIDA 32502-5794

RICK SCOTT
GOVERNOR

CARLOS LOPEZ-CANTERA
LT. GOVERNOR

CLIFFORD D. WILSON III
INTERIM SECRETARY

December 22, 2014

Electronic Mail – Received Receipt Requested
jthompson@qracq.com

Mr. Justin Thompson, Environmental Health and Safety Manager
Quantum Resources Management, LLC
5 Houston Center
1401 McKinney Street, Suite 2700
Houston, Texas 77010

Re: Draft Air Construction Permit No.: 1130005-018-AC
DRAFT/PROPOSED Title V Air Operation Permit Revision Project No.: 1130005-019-AV
Revision to Title V Air Operation Permit No.: 1130005-012-AV
St. Regis Gas Treatment Facility and Jay Gas Plant

Dear Mr. Thompson:

One copy of the following documents is enclosed: Technical Evaluation and Preliminary Determination, the combined Public Notice, the Draft Air Construction Permit, and the DRAFT Title V Air Operation Permit Revision for the St. Regis Gas Treatment Facility and Jay Gas Plant located in Santa Rosa County at 5415 Oil Plant Road in Jay, Florida. The permitting authority's "INTENT TO ISSUE AN AIR CONSTRUCTION PERMIT AND A TITLE V AIR OPERATION PERMIT REVISION" and the "PUBLIC NOTICE OF INTENT TO ISSUE AN AIR CONSTRUCTION PERMIT AND A TITLE V AIR OPERATION PERMIT REVISION" are also included.

An electronic version of the Draft/Proposed Permit will be posted on the Division of Air Resource Management's world wide web site for the United States Environmental Protection Agency (USEPA) Region 4 office's review. The web site address is:http://www.dep.state.fl.us/air/emission/apds/default.asp

The "PUBLIC NOTICE OF INTENT TO ISSUE AN AIR CONSTRUCTION PERMIT AND A TITLE V AIR OPERATION PERMIT REVISION" must be published as soon as possible. Proof of publication, i.e., newspaper affidavit, must be provided to the permitting authority's office within 7 (seven) days of publication pursuant to Rule 62-110.106(5), F.A.C. Failure to publish the notice and provide proof of publication within the allotted time may result in the denial of the permits pursuant to Rule 62-110.106(11), F.A.C. 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

Please submit any written comments you wish to have considered concerning the permitting authority's proposed action to Armando I. Sarasua, P.E., at the above letterhead address. If you have any other questions, please contact the Project Engineer, Angelia Jackson at 850-595-0598 or Angelia.Jackson@dep.state.fl.us .

Sincerely,

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

Enclosures

JCH/aj/r

In the Matter of an
Application for Permits by:

Quantum Resources Management, LLC
5 Houston Center
1401 McKinney Street, Suite 2700
Houston, Texas 77010

Draft Air Construction Permit No.: 1130005-018-AC
Draft/Proposed Title V Air Operation Permit Revision No.: 1130005-019-AV

St. Regis Gas Treatment Facility and Jay Gas Plant
Santa Rosa County

_____/

INTENT TO ISSUE AN AIR CONSTRUCTION PERMIT AND A TITLE V AIR OPERATION PERMIT REVISION

Facility Location: The applicant operates the existing St. Regis Treating Facility and Jay Gas Plant, which is located in Santa Rosa County at 5415 Oil Plant Road in Jay, Florida

Project: The applicant applied on August 7, 2014, to the Department for an air construction permit and Title V air operation permit revision. This is a revision of Title V Air Operation Permit No. 1130005-012-AV. The construction permit authorizes the removal of natural gas throughput limits for the Glycol Reboiler Vent (Emissions Unit 048) and the Natural Gas Liquids Fractionation Unit (EU 052). The Title V permit revision will incorporate these changes.

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 Northwest District Waste Management/Air Resources Section is the Permitting Authority responsible for making a permit determination for this project. The Permitting Authority's address is: 160 W. Government Street, Pensacola, Florida 32502. The Permitting Authority's telephone number is 850/595-8300 and facsimile is 850/595-8393.

Notice of Intent to Issue Permit: The permitting authority gives notice of its intent to issue an Air Construction Permit and a Title V Air Operation Permit Revision (copies of the Draft Air Construction Permit and DRAFT/PROPOSED Title V Air Operation Permit Revision attached) for the Title V source detailed in the application(s) specified above and the attached Technical Evaluation and Preliminary Determination, for the reasons stated below. The revision is a change to Title V Air Operation Permit No. 1130005-012-AV.

The permitting authority has permitting jurisdiction under the provisions of Chapter 403, Florida Statutes (F.S.), and Florida Administrative Code (F.A.C.) Chapters 62-4, 62-210, 62-212 and 62-213. This source is not exempt from construction and Title V permitting procedures. The permitting authority has determined that an Air Construction Permit and a Title V Air Operation Permit Revision are required to construct and to commence or continue operations at the described facility.

The permitting authority intends to issue the Air Construction Permit and the Title V Air Operation Permit Revision based on the belief that reasonable assurances have been provided to indicate that the construction activity and operation of the source will not adversely impact air quality, and the source will comply with all appropriate provisions of Chapters 62-4, 62-204, 62-210, 62-212, 62-213, 62-256, 62-257, 62-281, 62-296, and 62-297, F.A.C. The permitting authority will issue the Air Construction Permit and subsequent FINAL Title V Air Operation Permit Revision, in accordance with the conditions of the attached Draft Air Construction Permit and the DRAFT/PROPOSED Title V Air

Operation Permit Revision unless a response received in accordance with the following procedures results in a different decision or significant change of terms or conditions.

Public Notice: Pursuant to Sections 403.815 and 403.087, F.S., and Rules 62-110.106 and 62-210.350(3), F.A.C., you (the applicant) are required to publish at your own expense the enclosed "PUBLIC NOTICE OF INTENT TO ISSUE AN AIR CONSTRUCTION PERMIT AND A TITLE V AIR OPERATION PERMIT REVISION." The 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. For the purpose of these rules, "publication in a newspaper of general circulation in the area affected" means publication in a newspaper meeting 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 address or telephone number listed below. The applicant shall provide proof of publication to the permitting authority, within 7 (seven) days of publication pursuant to Rule 62-110.106(5), F.A.C. Proof of publication of notice is made by furnishing a uniform affidavit in substantially the form prescribed in Section 50.051 of the Florida Statutes, to the office of the Department issuing the permit. 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 proposed Air Construction Permit issuance action for a period of 14 (fourteen) days from the date of publication of the "PUBLIC NOTICE OF INTENT TO ISSUE AN AIR CONSTRUCTION PERMIT AND A TITLE V AIR OPERATION PERMIT REVISION." Written comments should be provided to the permitting authority office. Any written comments filed shall be made available for public inspection. If written comments received result in a significant change in this Draft Air Construction Permit, the permitting authority shall issue a Revised Draft Air Construction Permit and require, if applicable, another Public Notice.

The permitting authority will accept written comments concerning the DRAFT/PROPOSED Title V Air Operation Permit Revision issuance action for a period of 30 (thirty) days from the date of publication of the "PUBLIC NOTICE OF INTENT TO ISSUE AN AIR CONSTRUCTION PERMIT AND A TITLE V AIR OPERATION PERMIT REVISION." Written comments should be provided to the permitting authority office. Any written comments filed shall be made available for public inspection. If written comments received result in a significant change in this DRAFT/PROPOSED Title V Air Operation Permit Revision, the permitting authority shall issue a Revised DRAFT/PROPOSED Title V Air Operation Permit Revision and require, if applicable, another Public Notice.

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. The petition must contain the information set forth below and must be filed with (received by) the Department's Agency Clerk in the Office of General Counsel of the Department of Environmental Protection, 3900 Commonwealth Boulevard, Mail Station #35, Tallahassee, Florida 32399-3000. 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. 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, and telephone number of the petitioner; the name, address and telephone 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 notice of intent. Persons whose substantial interests will be affected by any such final decision of the Permitting Authority on the application(s) have the right to petition to become a party to the proceeding, in accordance with the requirements set forth above.

Mediation: Mediation will not be 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 e-mail 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: In addition to the above, 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 INTENT TO ISSUE AN AIR CONSTRUCTION PERMIT AND A TITLE V AIR OPERATION PERMIT REVISION (including the combined PUBLIC NOTICE, the Draft Air Construction Permit and the DRAFT/PROPOSED Title V Air Operation Permit package), 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 **December 22, 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

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

_____/S/_____ December 22, 2014
Clerk Date

PUBLIC NOTICE OF INTENT TO ISSUE AN AIR CONSTRUCTION PERMIT AND A TITLE V AIR OPERATION PERMIT REVISION

FLORIDA DEPARTMENT OF ENVIRONMENTAL PROTECTION
Northwest District

Air Construction Permit No.: 1130005-018-AC
DRAFT/PROPOSED Title V Air Operation Permit Revision Project No.: 1130005-019-AV
Revision to Title V Air Operation Permit No.: 1130005-012-AV
St. Regis Treating Facility and Jay Gas Plant
Santa Rosa County

Applicant: The applicant for this project is Quantum Resources Management, LLC. The applicant's responsible official and mailing address are: Mr. Justin Thompson, Environmental Health and Safety Manager, Quantum Resources Management, LLC., St. Regis Treating Facility and Jay Gas Plant, 5 Houston Center, 1401 McKinney street, Suite 2700, Houston, Texas 77010.

Facility Location: The applicant operates the existing St. Regis Treating Facility and Jay Gas Plant, which is located in Santa Rosa County at 5415 Oil Plant Road in Jay, Florida

Project: The applicant applied on August 7, 2014, to the Department for an air construction permit and Title V air operation permit revision. The construction permit authorizes the removal of natural gas throughput limits for the Glycol Reboiler Vent (Emissions Unit 048) and the Natural Gas Liquids Fractionation Unit (EU 052). The Title V permit revision will incorporate these changes. This is a revision of Title V Air Operation Permit No. 1130005-012-AV.

Permitting Authority: 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 Northwest District Waste Management/Air Resources Section is the Permitting Authority responsible for making a permit determination for this project. The Permitting Authority's address is: 160 W. Government Street, Pensacola, Florida 32502. The Permitting Authority's telephone number is 850/595-8300 and facsimile is 850/595-8393.

Notice of Intent to Issue Permit: The permitting authority gives notice of its intent to issue an Air Construction Permit and a Title V Air Operation Permit Revision to Quantum Resources Management, LLC 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 the Air Construction Permit and the subsequent FINAL Title V Air Operation Permit Revision, in accordance with the conditions of the Draft Air Construction Permit and the DRAFT/PROPOSED Title V Air Operation Permit Revision unless a response received in accordance with the following procedures results in a different decision or significant change of terms or conditions.

Comments: The permitting authority will accept written comments concerning the proposed Draft Air Construction Permit issuance action for a period of 14 (fourteen) days from the date of publication of this Public Notice. Written comments should be provided to the Permitting Authority at the above address. Any written comments filed shall be made available for public inspection. If written comments received result in a significant change in this Draft Air Construction Permit, the permitting authority shall issue a Revised Draft Air Construction Permit and require, if applicable, another Public Notice.

The Permitting Authority will accept written comments concerning the DRAFT/PROPOSED Title V Air Operation Permit Revision for a period of thirty (30) days from the date of publication of this Public Notice. Written comments must be post-marked and all facsimile comments must be received by the close of business (5:00 pm), on or before the end of this 30-day period, by the Permitting Authority at the above address or facsimile. 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 on the Department's official web site for notices at http://tlhora6.dep.state.fl.us/onw and in a newspaper of general circulation in the area affected by the permitting action. For additional information, contact the Permitting Authority at the above address or phone number. If written comments or comments received at a public meeting result in a significant change to the DRAFT/PROPOSED Title V Air Operation Permit Revision, the Permitting Authority shall issue a Revised DRAFT/PROPOSED Title V Air Operation Permit Revision and require, if applicable, another Public Notice. All comments filed will be made available for public inspection.

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 of the Florida Statutes (F.S.). The petition must contain the information set forth below and must be filed (received) in the Department's Agency Clerk in the Office of General Counsel of the Department of Environmental Protection, 3900 Commonwealth Boulevard, Mail Station #35, Tallahassee, Florida 32399-3000 (Telephone: 850.245.2242, Fax: 850.245.2303). Petitions filed by any persons other than those entitled to written notice under Section 120.60(3), F.S., must be filed within 14 (fourteen) days of publication of the public notice or within 14 (fourteen) days of receipt of the notice of intent, 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 (fourteen) 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. The failure of any person to file a petition within the applicable 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 will be only at the approval of the presiding officer upon the filing of a motion in compliance with Rule 28-106.205 of the Florida Administrative Code (F.A.C.).

All petitions filed under these rules shall contain:

(a) The name and address of each agency affected and each agency's file or identification number, if, known;

(b) The name, address, and telephone number of each petitioner; the name, address and telephone 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 how and when each petitioner received notice of the agency decision;

(d) A statement of 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 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 notice of intent. Persons whose substantial interests will be affected by any such final decision of the permitting authority on the application(s) 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 for 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: In addition to the above, pursuant to 42 United States Code (U.S.C.) Section 7661d(b)(2), any person may petition the Administrator of the EPA within 60 (sixty) days of the expiration of the Administrator's 45 (forty-five) day review period as established at 42 U.S.C. Section 7661d(b)(1), to object to issuance of any permits. Any petition shall be based only on objections to the permits that were raised with reasonable specificity during the 30 (thirty) day public comment period provided in this 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

Project File: A complete project file is available for public inspection during normal business hours, 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 Technical Evaluation and Preliminary Determination and associated Draft Air Construction Permit and Draft/Proposed Title V Air Operation Permit Revision, the application(s), and the information submitted by the responsible official, exclusive of confidential records under Section 403.111, F.S. Interested persons may contact Armando Sarasua, P.E., at the above address, or call 850-595-8300, for additional information.