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## TEXAS COMMISSION ON ENVIRONMENTAL QUALITY

*Protecting Texas by Reducing and Preventing Pollution*

July 25, 2011

Michael Katz  
Chief Executive Officer  
ORYXE Energy International, Inc.  
9601 Irvine Center Drive  
Irvine, CA 92618

Re: Revised Alternative Diesel Fuel Formulation Approval Notification

Dear Mr. Katz:

The Texas Commission on Environmental Quality (TCEQ) has approved in accordance with the TCEQ regulations specified under Title 30 Texas Administrative Code (30 TAC) §114.315(c) the revised alternative diesel fuel formulation for Texas low emission diesel fuel (TxLED) consisting of diesel fuel (as defined under 30 TAC §114.6) treated with 0.76 grams of the ORYXE Energy International, Inc. (ORYXE) LED+6610 additive per gallon of diesel fuel. This revised approval is based upon the following findings.

- The diesel fuel used for the emissions testing performed by the Southwest Research Institute (SwRI) in San Antonio, Texas, from August 19, 2010, to August 23, 2010, consisted of 51.7 gallons of diesel fuel treated with 39.17 grams of the ORYXE LED+6610 diesel additive, which results in a corrected additive treat rate of 0.76 grams of the ORYXE LED+6610 diesel additive per gallon of diesel fuel.
- The emissions of nitrogen oxides (NO<sub>x</sub>) and particulate matter (PM) from the nine eligible candidate fuel emissions tests were less than the NO<sub>x</sub> and PM emissions from the six TxLED reference fuel emissions tests as determined in accordance with the emissions comparison calculations specified under 30 TAC §114.315(c)(5). In addition, the average emissions of total hydrocarbons and non-methane hydrocarbons recorded during the candidate fuel testing did not exceed the test engine's applicable emission standards.
- The comparative analysis of the emission test data from the testing of the ORYXE LED+6610 diesel additive treated formulation indicate it has met the conditions specified under 30 TAC §114.315(c)(5) to be approved by the TCEQ as an alternative diesel formulation for TxLED.

This approval only applies to the revised alternative diesel fuel formulation consisting of diesel fuel treated with 0.76 grams of the ORYXE LED+6610 additive per gallon of diesel fuel, and as described in the TCEQ's Approval Notification issued under TCEQ assigned identification number: TXLED-A-00023.

As a TCEQ-approved alternative diesel fuel formulation, diesel fuel producers may use diesel fuel treated with 0.76 grams of the ORYXE LED+6610 additive per gallon of diesel fuel for

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compliance with the TxLED fuel content requirements as provided in the TCEQ regulations under 30 TAC §114.312(f). Producers using this product will be required to comply with the registration requirements specified in the TCEQ regulations under 30 TAC §114.314 and the appropriate monitoring, recordkeeping, and reporting requirements specified in the TCEQ regulations under 30 TAC §114.316.

This approval is subject to the actual emissions performance of diesel-powered engines using diesel fuel treated with 0.76 grams of the ORYXE LED+6610 additive per gallon of diesel fuel. Evidence that diesel fuel treated with 0.76 grams of the ORYXE LED+6610 additive per gallon of diesel fuel does not result in emissions that are equivalent to or better than diesel fuel meeting the cetane number, and aromatic hydrocarbons content requirements of TxLED may result in the revocation of this approval or other appropriate enforcement action. This approval is also subject to proper treatment and storage of diesel fuel treated with 0.76 grams of the ORYXE LED+6610 additive per gallon of diesel fuel.

ORYXE is required to provide detailed, written instructions regarding the specific storage requirements, blending methods, and treatment rate to any producer using this approved alternative diesel fuel formulation for compliance with the TxLED requirements that are necessary to ensure proper emissions performance of diesel fuel treated with 0.76 grams of the ORYXE LED+6610 additive per gallon of diesel fuel. Improper storage, blending, and/or additive treatment rate of diesel fuel treated with 0.76 grams of the ORYXE LED+6610 additive per gallon of diesel fuel may result in enforcement action.

Enclosed with this letter is the revised Approval Notification documenting the TCEQ's approval of the formulation consisting of diesel fuel treated with 0.76 grams of the ORYXE LED+6610 additive per gallon of diesel fuel.

This letter and the revised Approval Notification document will be posted to the TCEQ's TxLED Program Web site for public notice at the following link:

<http://www.tceq.state.tx.us/implementation/air/sip/cleandiesel.html>.

If you have any additional questions or need further assistance in regards to this process, please contact Mr. Morris Brown in the TCEQ's Air Quality Planning Section at (512) 239-1438 or [mbrown@tceq.state.tx.us](mailto:mbrown@tceq.state.tx.us).

Sincerely,



Susana M. Hildebrand, P.E.

Chief Engineer

Texas Commission on Environmental Quality

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Enclosure