 <p>Santa Barbara County Air Pollution Control District</p>	Case No / Date	2016-40-E	11/28/16
	Petitioner	Greka Oil & Gas	
	Permit #	PTO 8254	
	Date Rec'd	11/18/16	
	Time Rec'd	15:30	
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**BEFORE THE HEARING BOARD
OF THE SANTA BARBARA COUNTY
AIR POLLUTION CONTROL DISTRICT**

In The Matter of the Application of Greka Oil & Gas for an Emergency Variance from District Rule 325.E.1.)))))	H.B. Case No. 2016-40-E VARIANCE FINDINGS AND ORDER
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Greka Oil & Gas filed a Petition for an Emergency Variance on November 18, 2016. A hearing regarding the above-entitled matter was held on November 28, 2016 with Mike McKay appearing for the Santa Barbara County Air Pollution Control District.

This matter having been fully presented and duly considered, the Hearing Board makes the following findings and gives the following reasons for its decision.

1. Notice of the Hearing was duly given in the manner and for the time required by law.
2. Sworn testimony and argument on behalf of the Petitioner and the Air Pollution Control Officer were made, received and considered.
3. The Petitioner operates the equipment described in the Petition at the Union Sugar Lease, located within the Greka Refining Company Stationary Source. The equipment in the subject of this Petition is Union Sugar Well #27.
4. On the morning of November 17, 2016 a leak greater than 50,000ppm was found to be emanating from around the wellhead casing on Union Sugar Well #27. District Rule 325.E.1 requires the emissions of produced gas be controlled at all times while Health and Safety Code §42400 states that each day during any portion of which a violation of subdivision (a) or (c) occurs is a separate offense.
5. The exact source of the leak has yet to be determined. The Petitioner is attempting to locate and repair the source of the leak by bringing a workover rig to the well site and

digging out the well casing to the safest extent feasible. Without an emergency variance, the Petitioner would be in violation beginning on November 19, 2016 and continuing each and every day until the source of the leak is found and repaired. If repairs take longer than the variance period allows, the Petitioner will need to submit an Interim and 90-Day variance petition in order to maintain variance protection.


6. Due to its location, the continued operation of Well #27 in violation of Rule 325 is not expected to result in a public nuisance.
7. The District staff supports the Petition as conditioned below.
8. Pursuant to Health and Safety Code section 42359.5, I find that "good cause" exists for the granting of Petitioner's request for an Emergency Variance.

THEREFORE, THE HEARING BOARD ORDERS, as follows:

That an Emergency Variance be granted for the continued operation of Petitioner's Well #27 in violation of District Rule 325.E.1 from November 19, 2016 through December 18, 2016 with the following conditions:

1. Petitioner shall keep District staff informed regarding their efforts to achieve compliance. By not later than January 06, 2017 the Petitioner shall submit a report to the District and Hearing Board documenting the date the facility returned to compliance along with all emissions related to the granting of this Variance.
2. Petitioner shall retain the obligation to comply with all other local, state and federal regulations not specifically referenced in the Order.
3. Failure to abide by all conditions of this Order shall subject the Petitioner receiving the variance to penalties set forth in Health and Safety Code section 42402.
4. Each day during any portion of which a violation occurs is a separate offense.

DATED: 11/28/2016



Robert Saperstein
Santa Barbara County Air Pollution Control District
Hearing Board