	Case No / Date	2018-07-E	07/03/18
	Petitioner	Greka Oil & Gas	
	Permit #	8096	
	Date Rec'd	06/27/18	
	Time Rec'd	1553	
FOR OFFICIAL USE ONLY			

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 Rules 325.E.1)
 and 206, Condition 10 of Permit to)
 Operate 8096.)

H.B. Case No. 2018-07-E

VARIANCE FINDINGS

AND ORDER

Greka Oil & Gas filed a Petition for an Emergency Variance on June 27, 2018. A hearing regarding the above-entitled matter was held on July 3, 2018. Jeanette Boyer and Julio Corona represented the Petitioner, Aimee Long and Mike McKay represented the Santa Barbara County Air Pollution Control District, and Terence Dressler represented the Hearing Board for this Emergency Hearing.

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 Morganti Lease located at 5080 Black Road, Casmalia, California.
4. On June 26, 2018, District personnel conducted an inspection at the Morganti Lease. Inspection findings indicated a 50,000+ ppm leak emanating from where the ground meets the casing at Well #4. When the District discovered the leak, the source shut in the well to determine the cause. This attempt was unsuccessful and the well was returned to production. Later that same day, manual excavation activities were also unsuccessful. The leak is suspected to be emanating from the cellar or the casing, but that has yet to be fully determined. A backhoe arrived on June 27, 2018, to continue excavation activities.

Further excavation activities are currently ongoing. As a result, the Petitioner filed a petition for this Emergency Variance.

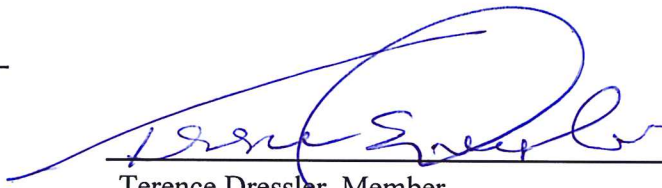
5. Without Variance coverage, the Petitioner will be in violation of District Rules 325.E.1 and 206, Condition 10 of Permit to Operate 8096.
6. If, due to reasons beyond the control of the Petitioner, successful repairs are unable to be completed during this variance period, additional relief will be sought.
7. The Petitioner will monitor and record on a daily basis, all emissions related to the granting of this variance.
8. A nuisance as defined in District Rule 303 is not expected to occur as a result of this variance and continued operation is not likely to create an immediate threat or hazard to public health or safety.
9. The District staff supports the Petition as conditioned below.
10. 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 a 30-Day Emergency Variance be granted for the continued operation of the Petitioner's facility in violation of Rules 325 E.1 and 206, Condition 10 of Permit to Operate 8096 from June 27, 2018 through July 26, 2018, or the date compliance is achieved, whichever occurs first, with the following conditions:

1. Petitioner shall submit a written report to the Hearing Board and District by August 10, 2018. The report shall include the date compliance was achieved together with the cause of the malfunction, description of the corrective action taken and the dates, times, and actual emissions that occurred during the variance, if any.
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.
5. The Environmental Protection Agency does not recognize California's Variance program, therefore, this Variance does not protect the Petitioner from Federal Enforcement actions.

DATED: 7/3/2018



Terence Dressler, Member
Santa Barbara County Air Pollution Control District
Hearing Board