

# Greka – Los Flores Lease

NOV 10944

## Abatement Order Evidence

Violation Description: Storing petroleum product in emergency pits for longer than the 30 days allowed by Rule 344 and Permit to Operate 07307-R10.

## Table of Contents

1. Notice of Violation Documents
  - a. NOV 10944 and Cover Letter
  - b. Greka response to NOV 10944
2. District Permit Violated
  - a. Permit to Operate 07307-R10
3. Rule Violated
  - a. APCD Rule 344. Petroleum Sumps, Pits and Well Cellars
4. Chronology of Events
5. Chronology of Events Documentation
  - a. 06/10/2015 Inspection Report and photo documentation
  - b. 06/17/2015 Correspondence to Greka regarding pits
  - c. 02/25/2016 Photo documentation
  - d. 03/03/2016 Photo documentation
  - e. 03/16/2016 Photo documentation
  - f. 03/25/2016 Photo documentation
  - g. 04/06/2016 Inspection Report and photo documentation
  - h. 04/11/2016 Notice of Violation #10944
  - i. 04/15/2016 Greka response to NOV #10944
  - j. 04/19/2016 Photo documentation
  - k. 05/10/2016 Photo documentation
  - l. 05/18/2016 Photo documentation
  - m. 05/26/2016 Photo documentation
  - n. 07/14/2016 Photo documentation
  - o. 10/19/2016 Inspection Report and photo documentation
  - p. 10/28/2016 Mutual Settlement Offer Letter
  - q. 12/14/2016 Photo documentation
  - r. 02/23/2017 Abatement Order Warning Letter
  - s. 03/17/2017 Inspection Report and photo documentation
  - t. 03/20/2017 Inspection Report and photo documentation
  - u. 03/30/2017 Inspection Report, TVA readings and photo documentation
  - v. 03/30/2017 Correspondence
  - w. 04/07/2017 Correspondence
  - x. 04/21/2017 Inspection Report, photo documentation and correspondence
  - y. 04/26/2017 Inspection Report and photo documentation
  - z. 05/16/2017 Inspection Report and photo documentation
  - aa. 06/28/2017 Inspection Report and photo documentation
  - bb. 09/28/2017 Inspection Report and photo documentation
  - cc. 11/01/2017 Inspection Report and photo documentation
  - dd. 12/13/2017 Inspection Report and photo documentation
  - ee. 04/04/2018 Correspondence
  - ff. 05/17/2018 Sample results from 11/01/2017

- gg. 05/23/2018 Inspection Report and photo documentation
  - hh. 06/13/2018 Correspondence
  - ii. 06/20/2018 Correspondence
6. Excess Emissions Calculations

Section 1  
Notice of Violation Documents



Santa Barbara County  
**Air Pollution Control District**

VIA ELECTRONIC MAIL  
jmb@greka.com

April 11, 2016

Greka Oil and Gas  
Jeanette Boyer  
PO Box 5489  
Santa Maria, CA 93456

RE: Notice of Violation #10944

Dear Ms. Boyer,

Enclosed you will find Notice of Violation (NOV) #10944 documenting violations of District Rules 331 D.2 and 344 B.3.b. These violations were documented during an inspection of Greka's Los Flores lease conducted on 04/06/2016.

District Rule 331 D.2. states, "Hatches shall be closed at all times except during sampling, adding process material or attended maintenance operations." A 500BBL "Baker" tank (Device ID 112060) was found unattended with a hose protruding through an open hatch. The hatch was emitting hydrocarbons at a rate of 48,100ppm.

District Rule 344 B.3.b. was violated by applying exemptions to two emergency wastewater pits that no longer meet the exemption criteria. District Rule 344 B.3.b. states, "Sections D, E, F and G.1 of this rule shall not apply to: b. Pits used less than 30 days per year. Pits are in use when either receiving or storing petroleum product." The pits were documented storing petroleum product from 02/25/2016 until present. As the pits were used more than 30 days in one year, the exemption provided by Rule 344 B.3.b. no longer applies, and both pits are now subject to Sections D, E, F and G.1 of District Rule 344.

Please email a signed copy of this NOV to swains@sbcapcd.org within ten (10) days of receipt of the NOV. Please feel free to submit any documentation of corrective actions taken to prevent continued or recurring violations. Alternatively, a NOV response may be mailed to my attention at: 301 E. Cook Street, Ste. L Santa Maria, CA 93454.

You will receive a separate letter from Mutual Settlement detailing the NOV resolution. Please refer to the District's Policy and Procedure regarding Mutual Settlement available at: <http://www.ourair.org/wp-content/uploads/VII.D.pdf>.



**Santa Barbara County  
Air Pollution Control District**

If you have any questions regarding this matter, please contact me at 805-614-6791, or swains@sbcapcd.org.

Sincerely,

Sage Swain  
Inspection Specialist

Enclosed: NOV #10944

cc: Chron File  
FID File (#04008)



# NOTICE OF VIOLATION

10944

VIOLATION NUMBER

04/06/2016

DATE OF DISCOVERY

4/6/16 & 3/27/16

DATE OF VIOLATION

NAME Greka Oil and Gas PHONE (805) 357-2938

ADDRESS P.O. Box 5489, Santa Maria, CA 93455

LOCATION OF VIOLATION Los Flores Lease

FID # 04008 PERMIT / REG / NOTIF # PTO 07307-R10

YOU ARE HEREBY NOTIFIED THAT PURSUANT TO SECTION 40702  
OF THE HEALTH AND SAFETY CODE OF THE STATE OF CALIFORNIA A VIOLATION  
HAS BEEN COMMITTED THROUGH THE FOLLOWING ACT: VIOLATION OF  
DISTRICT RULE(s): 1. 331 D.2 and 2. 344 B.3.b.

BY: 1. failing to keep hatches closed at all times.

2. applying exemptions to two emergency wastewater pits that no longer meet the exemption criteria.

**ATTENTION:** Immediate action must be taken if necessary to prevent violation from continuing. Return a copy of this document within 10 days of receipt with a written description of the corrective action taken. Direct this information to the attention of the individual who issued the notice of violation.

Please note that each and every day, or portion thereof, that a violation exists, may be considered a separate violation.

Served to: Jeanette Boyer

By: Sage Swain

Title: Director of Compliance

Title: Inspection Specialist

Sent Via Electronic Mail # jmb@greka.com

Date April 11, 2016

ENF-75 (09/21/2011)

Transmitted via Email

April 15, 2015

Sage Swain  
Santa Barbara County  
Air Pollution Control District  
301 East Cook Street, Suite L  
Santa Maria, CA 93454

RE: Los Flores Stationary Source  
Los Flores Lease FID-4008  
Notice of Violation 10944

Dear Mr. Sage Swain:

Greka Oil & Gas (Greka) hereby submits documentation pertaining to the corrective actions taken to address Notice of Violation #10944.

If you have any questions or comments please contact Joe Diaz at (805)357-2941.

Sincerely,

  
Jeanette Boyer  
Director of Compliance

Enclosure

**Notice of Violation Report**  
**NOV 10944**  
**Los Flores**

---

Violation Number	10944
Owner/Operator	Greka Oil & Gas
Stationary Source:	Los Flores
Facility:	Los Flores, FID- 4008
Permit:	PTO -7307

**Background:**

On April 11, 2016 Greka Oil and Gas received NOV #10944 which resulted from a District inspection conducted on 4/6/2016. NOV #10944 documents one violation of District Rule 331 D.2 and one violation of District Rule 344 B.3.b.

**Corrective Action:**

Greka operators closed the manway hatch on 4/6/2016, the leak was verified by Greka technicians not to be leaking on 4/7/2016, post ppm reading was 600.

Greka started clearing the pits prior to inspection on 4/6/2016 and will continue to do so.

**Attachment:**

Attachment 1 - NOV 10944

Attachment 2 – Emission Calculations



**Santa Barbara County  
Air Pollution Control District**

VIA ELECTRONIC MAIL  
jmb@greka.com

April 11, 2016

Greka Oil and Gas  
Jeanette Boyer  
PO Box 5489  
Santa Maria, CA 93456

RE: Notice of Violation #10944

Dear Ms. Boyer,

Enclosed you will find Notice of Violation (NOV) #10944 documenting violations of District Rules 331 D.2 and 344 B.3.b. These violations were documented during an inspection of Greka's Los Flores lease conducted on 04/06/2016.

District Rule 331 D.2. states, "Hatches shall be closed at all times except during sampling, adding process material or attended maintenance operations." A 500BBL "Baker" tank (Device ID 112060) was found unattended with a hose protruding through an open hatch. The hatch was emitting hydrocarbons at a rate of 48,100ppm.

District Rule 344 B.3.b. was violated by applying exemptions to two emergency wastewater pits that no longer meet the exemption criteria. District Rule 344 B.3.b. states, "Sections D, E, F and G.1 of this rule shall not apply to: b. Pits used less than 30 days per year. Pits are in use when either receiving or storing petroleum product." The pits were documented storing petroleum product from 02/25/2016 until present. As the pits were used more than 30 days in one year, the exemption provided by Rule 344 B.3.b. no longer applies, and both pits are now subject to Sections D, E, F and G.1 of District Rule 344.

Please email a signed copy of this NOV to swains@sbcapcd.org within ten (10) days of receipt of the NOV. Please feel free to submit any documentation of corrective actions taken to prevent continued or recurring violations. Alternatively, a NOV response may be mailed to my attention at: 301 E. Cook Street, Ste. L Santa Maria, CA 93454.

You will receive a separate letter from Mutual Settlement detailing the NOV resolution. Please refer to the District's Policy and Procedure regarding Mutual Settlement available at: <http://www.ourair.org/wp-content/uploads/VII.D.pdf>.



Our Vision  Clean Air

**Santa Barbara County  
Air Pollution Control District**

If you have any questions regarding this matter, please contact me at 805-614-6791, or [swains@sbcapcd.org](mailto:swains@sbcapcd.org).

Sincerely,



Sage Swain  
Inspection Specialist

Enclosed: NOV #10944

cc: Chron File  
FID File (#04008)

Aeron Arlin Genet • Air Pollution Control Officer  
260 North San Antonio Road, Suite A • Santa Barbara, CA • 93110 • 805.961.8800  
[OurAir.org](http://OurAir.org) • [twitter.com/OurAirSBC](https://twitter.com/OurAirSBC)



Santa Barbara County  
Air Pollution Control District

**NOTICE OF VIOLATION**

10944

VIOLATION NUMBER

04/06/2016

DATE OF DISCOVERY

4/6/16 & 3/27/16

DATE OF VIOLATION

NAME Greka Oil and Gas PHONE (805) 357-2938

ADDRESS P.O. Box 5489, Santa Maria, CA 93455

LOCATION OF VIOLATION Los Flores Lease

FID # 04008 PERMIT / REG / NOTIF # PTO 07307-R10

YOU ARE HEREBY NOTIFIED THAT PURSUANT TO SECTION 40702  
OF THE HEALTH AND SAFETY CODE OF THE STATE OF CALIFORNIA A VIOLATION  
HAS BEEN COMMITTED THROUGH THE FOLLOWING ACT: VIOLATION OF  
DISTRICT RULE(s): 1. 331 D.2 and 2. 344 B.3.b.

BY: 1. failing to keep hatches closed at all times.  
2. applying exemptions to two emergency wastewater pits that no longer meet the exemption criteria.

**ATTENTION:** Immediate action must be taken if necessary to prevent violation from continuing. Return a copy of this document within 10 days of receipt with a written description of the corrective action taken. Direct this information to the attention of the individual who issued the notice of violation.

Please note that each and every day, or portion thereof, that a violation exists, may be considered a separate violation.

Served to: Jeanette Boyer By: Sage Swain

Title: Director of Compliance Title: Inspection Specialist

Sent Via Electronic Mail # jmb@greka.com Date April 11, 2016

ENF-75 (09/21/2011)

Los Flores  
 NOV # 10944  
 Excess Emissions

Santa Barbara County APCD Fugitive ROC Emissions Calculation - Screening Value Range Method  
 Major Leaks (>10,000 ppm)

ADMINISTRATIVE INFORMATION		Refinery		Offshore Platform					
NOV or Breakdown #	10944								
Company:	Greka Oil & Gas								
Facility:	Los Flores Lease								
Permit:	7307								
Date:	4/14/2016								
Facility Type: (Choose one facility type by marking the box to the right of the facility type with an "x")									
Production Field	<input type="checkbox"/>	Gas Processing Plant	<input type="checkbox"/>	Refinery	<input type="checkbox"/>				
Component:	Count	THC <sup>1</sup> Emission Factor (lb/day-clp)	ROC/THC Ratio	Uncontrolled ROC Emission (lb/day)	Control <sup>2,3</sup> Efficiency	Uncontrolled ROC Emission (lb/hr)	Uncontrolled ROC Emission (lb/day)	Total Days of Uncontrolled Emissions	Total ROC Emissions (lbs)
Gas Condensate Service									
Valves		7.330	0.31	0.00	0.00	0.00	0.00	0.00	
Pumps Seals		3.800	0.31	0.00	0.00	0.00	0.00	0.00	
Compressor Seals		3.800	0.31	0.00	0.00	0.00	0.00	0.00	
Connections		1.370	0.31	0.00	0.00	0.00	0.00	0.00	
Flanges		3.230	0.31	0.00	0.00	0.00	0.00	0.00	
Open-Ended Lines		2.900	0.31	0.00	0.00	0.00	0.00	0.00	
Others	1	9.760	0.31	3.03	0.00	0.13	3.03	1	
Liquid Service									
Valves		3.740	0.56	0.00	0.00	0.00	0.00	0.00	
Pumps Seals		3.800	0.56	0.00	0.00	0.00	0.00	0.00	
Compressor Seals		3.800	0.56	0.00	0.00	0.00	0.00	0.00	
Connections		1.240	0.56	0.00	0.00	0.00	0.00	0.00	
Flanges		13.800	0.56	0.00	0.00	0.00	0.00	0.00	
Open-Ended Lines		1.170	0.56	0.00	0.00	0.00	0.00	0.00	
Others		0.503	0.56	0.00	0.00	0.00	0.00	0.00	
<b>Total</b>	<b>1</b>			<b>3.03</b>		<b>0.13</b>	<b>3.03</b>		<b>3.03</b>

Notes:  
 1. APCD P&P # 6100.072.1998. Applied the THC factor for Method 21 reading equal to or greater than 10,000 ppm (Rule 331 Major leaks).  
 2. Others: Include Access Door Seals, hatches, PRVs to Atm, process drains, manhole covers, and vents

Section 2  
District Permit Violated

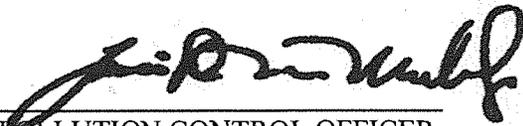
Section 2.a



Permit Reevaluation  
Permit to Operate No. 07307 - R10

EQUIPMENT OWNER: Greka Oil & Gas  
EQUIPMENT OPERATOR: Greka Oil & Gas  
EQUIPMENT LOCATION: Los Flores Lease, Cat Canyon Oil Field,  
Santa Maria, California  
STATIONARY SOURCE NAME/NUMBER: Los Flores / 08678  
FACILITY NAME/NUMBER: Greka - Los Flores Lease / 04008

- (1) Keep this *Permit Reevaluation* document with PTO 07307 - R9.
- (2) All equipment lists and descriptions and all permit conditions and requirements of PTO 07307 - R9 are incorporated herein by this reference as part of PTO 07307 - R10 and remain unchanged, valid and fully enforceable.
- (3) This *Permit Reevaluation* does not authorize any change in equipment description, location, process or any physical or operational modification.
- (4) Pursuant to Health & Safety Code section 42300(b) and District Rule 201.G, your permit is valid for one year and is eligible for extension upon the payment of all fees. Failure to pay outstanding fees shall result in the nonrenewal and expiration of this permit. The permittee may reinstate the expired permit by paying all outstanding fees (including properly assessed penalty fees).
- (5) In the event that any condition herein is determined to be invalid, all other conditions shall remain in force.

  
\_\_\_\_\_  
AIR POLLUTION CONTROL OFFICER  
AUG 12 2013  
\_\_\_\_\_  
DATE

Notes:

- Stationary sources are subject to an annual emission fee (see Fee Schedule B-3 of Rule 210).
- Annual reports are due by March 1st of each year.
- Next Reevaluation Due Date: 07/01/2016.



Permit to Operate 07307 - R9

Page 1 of 9

EQUIPMENT OWNER:

Greka Oil & Gas, Inc. 300000

EQUIPMENT OPERATOR:

Greka Oil & Gas, Inc.

EQUIPMENT LOCATION:

Los Flores Lease, Cat Canyon Oil Field, Santa Maria, California

STATIONARY SOURCE/FACILITY:

Los Flores SSID: 08678  
Greka - Los Flores Lease FID: 04008

EQUIPMENT DESCRIPTION:

The equipment subject to this permit is listed in the table at the end of this permit.

PROJECT/PROCESS DESCRIPTION:

Flow lines direct production to the central processing system's free water knock out vessel. This vessel separates gas from the liquid. The gas is routed to the heater and boiler or sold. The emulsion is routed to a heater treater, which separates the oil from the water. Crude oil is routed to the shipping tank. Crude oil that does not meet the shipping requirements is routed to the reject tank for further processing. Crude oil is routed offsite by tanker truck via the loading rack. The wastewater is routed to the water injection tank and subsequently disposed of by injection.

Permit to Operate 07307 - R9

Page 2 of 9

CONDITIONS:

1. **Emission Limitations.** The mass emissions from the equipment permitted herein shall not exceed the values listed in Table 1. Compliance shall be based on the operational, monitoring, recordkeeping and reporting conditions of this permit.

2. **Operational Restrictions.** The permitted equipment is subject to the following operational restrictions:

a. Throughput Limitation. The following throughput limitations shall not be exceeded:

Oil Production <sup>(a)</sup> :	<u>300</u> bbls/day
Wemco <sup>(b)</sup> :	<u>9,984</u> bbls/day
Slurry tank <sup>(b)</sup> :	<u>30</u> bbls/day
Truck Loading of Oil <sup>(c)</sup> :	<u>1,000</u> bbls/day
Truck Loading of Oil <sup>(d)</sup> :	<u>109,500</u> bbls/yr

(a) Calculated as monthly production divided by the number of producing days.

(b) Calculated as monthly throughput divided by the number of days during the month this unit operated.

(c) Compliance based on daily operator logs.

(d) Compliance based on total annual throughput trucked from the facility as maintained by daily logs.

b. Heat Input Limits: The daily and annual heat input limits for the following equipment shall not exceed the values listed below. These limits are based on the design rating of the burners and the annual heat input limit. Unless otherwise designated by the Control Officer, the following fuel heat content shall be used for determining compliance: Natural gas = 1,050 Btu/scf.

Boiler - Daily Heat Input:	<u>90.0</u> MMbtu/day
Boiler - Annual Heat Input:	<u>32,850.0</u> MMbtu/year
Heater Treater Daily Heat Input:	<u>90.0</u> MMbtu/day
Heater Treater Annual Heat Input:	<u>30,660.0</u> MMbtu/yr

c. Gaseous Fuel Sulfur Limit: The total sulfur content (calculated as H<sub>2</sub>S at standard conditions, 60° F and 14.7 psia) of the gaseous fuel burned at the facility shall not exceed 50 grains per 100 cubic feet (796 ppm<sub>v</sub>).

d. Well Cellars: The well cellars listed in this permit shall meet the requirements of APCD Rule 344. Rule 344.D.3 requires that:

- i. A person shall not open any valve at the wellhead without using a portable container to catch and contain any organic liquid that would otherwise drop on the ground or into the well cellar. Such container shall be kept closed when not in use.
- ii. Immediately before a well is steamed or after a well head is steam cleaned, the well cellar in which it is located shall be pumped out.
- iii. Neither of the following conditions shall occur unless the owner or operator discovered the condition and the well cellar is pumped within 7-days of discovery:
  - (a) liquid depth exceeding 50-percent of the depth of the well cellar.
  - (b) oil/petroleum depth exceeding 2 inches.

If a well cellar cannot be accessed by a vacuum truck due to muddy conditions, the well cellar shall be pumped as soon as it becomes accessible.

- e. Emergency Wastewater Pits: Emergency wastewater pits (APCD Device Nos. 8526, 8527, 8528) may not be used more than 30 days in any calendar year.
  - f. Crude Oil Loading: Crude oil loading shall be performed consistent with the requirements of Rule 346, i.e., either by submerged-fill or bottom loading, depending on TVP and throughput.
3. **Monitoring.** The permitted equipment is subject to the following monitoring requirements:
- a. The volumes of oil (bbls) produced from this facility shall be measured through the use of a calibrated meter or an APCD-approved alternate method. The meter shall be calibrated according to manufacturer's specifications. Calibration records shall be made available to the APCD upon request.
  - b. The volumes of natural gas (scf) used as fuel in each fuel burning equipment item shall be measured through the use of calibrated meters or an APCD-approved alternate method. The meters shall be calibrated according to manufacturer's specifications. Calibration records shall be made available to the APCD upon request.
  - c. Greka shall implement the APCD-approved Fuel Use Monitoring Plan (October 2005) for this facility.
  - d. In order to ensure that the fuel gas H<sub>2</sub>S limit is not exceeded, Greka shall sample H<sub>2</sub>S quarterly (one sample per calendar quarter) using detector tubes and perform an annual third party total sulfur analysis in accordance with the current ASTM-D1072 or an APCD-approved equivalent method.

Permit to Operate 07307 - R9

Page 4 of 9

- e. The high heating value (HHV) of the fuel gas (Btu/scf) shall be measured annually in accordance with ASTM D-3588 or an APCD-approved method.
  - f. The API gravity and true vapor pressure of the crude oil [at the actual storage temperature of the stored crude oil] shall be measured annually in accordance with APCD Rule 325.G.2. Sampling of crude oil shall be obtained in accordance with permit condition 9.
4. **Recordkeeping.** The following records shall be maintained by the permittee and shall be made available to the APCD upon request:
- a. The volume of oil produced/processed each month and the number of days that oil was produced/processed.
  - b. The average volume, in standard cubic feet per day, of gas produced each day on the lease. The average volume shall be computed by dividing the monthly volume by the number of days that gas was produced on the lease.
  - c. The monthly volume, in standard cubic feet, of gaseous fuel burned each month in each piece of fuel burning equipment.
  - d. The annual measurements of the API gravity and true vapor pressure, at the maximum expected storage temperature of the stored crude oil in each storage tank.
  - e. The quarterly and annual recorded sulfur content, in parts per million by volume, of the gaseous fuel burned at this facility.
  - f. The annual high heating value (HHV) of the gaseous fuel burned at the facility.
  - g. Volumes and dates of oil shipment(s) to/from the truck loading rack and the total number of truckloads sent to/from the facility.
  - h. The volume of fluid processed through the slurry tank each month and the number of days that tank was operated.
  - i. The volume of fluid processed through the Wemco unit each month and the number of days that unit was in operation.
  - j. A log book, documenting the number of days each year that the emergency wastewater pits were used.
  - k. On an annual basis, the coating and solvent use shall be logged. On days in which the coating and/or solvent is actually used the log shall list (for each material): manufacturer, product number, reactive organic compound content, and volume used. A material safety

data sheet (or equivalent) for each material shall be included with the log. The permittee may keep a log of coating/solvent use on a stationary source basis (if applicable). The coating/solvent emissions may be calculated by proportioning the number of active wells per lease by the total coating/solvent emissions of that stationary source.

1. Records required by the following APCD Rules: 325.F, 331.G, 343.F, 344.G, and 346.G.
5. **Reporting.** By March 1<sup>st</sup> of each year, a written report documenting compliance with the terms and conditions of this permit for the previous calendar year shall be provided by the permittee to the APCD (Attn: *Annual Report Coordinator*). The report shall contain information necessary to verify compliance with the emission limits and other requirements of this permit. The report shall be in a format approved by the APCD. Compliance with all limitations and restrictions shall be documented in the submittals. All logs and other basic source data not included in the report shall be made available to the APCD upon request. The report shall include the following information:
  - a. The total volume (bbls) of oil produced each month and each calendar year, and the number of days each month that oil was produced.
  - b. The total volume (scf) of gas produced each month and each calendar year, and the number of days each month that gas was produced.
  - c. The volume of gas combusted each month (scf) in each piece of fuel burning equipment and the number of days that these units operated.
  - d. API gravity, true vapor pressure and storage temperature of the oil.
  - e. On an annual basis, the heating value (Btu/scf) of the gaseous fuel burned in the fuel burning equipment.
  - f. The quarterly and annual recorded sulfur content, in parts per million by volume, of the gaseous fuel burned on the lease.
  - g. Volumes and dates of oil shipment(s) to/from the truck loading rack and the total number of truckloads sent to/from the facility.
  - h. The volume of fluid processed through the slurry tank each month and the number of days that tank was operated.
  - i. The volume of fluid processed through the Wemco unit each month and the number of days that unit was in operation.
  - j. On an annual basis, a log showing the amount of all coatings and solvents used.

- k. The annual volume of oil shipped from the loading rack and the number of shipments per year.
6. **Fugitive Hydrocarbon I&M Program.** Greka shall implement the APCD-approved Fugitive Hydrocarbon Inspection and Maintenance (I&M) Plan for this facility (October 2005). Records shall be kept in accordance with this plan and District Rule 331.
7. **External Combustion Units - Permits Required.**
  - (1) An ATC/PTO permit shall be obtained prior to installation of any grouping of Rule 360 applicable boilers or hot water heaters whose combined system design heat input rating exceeds 2,000 MMBtu/hr.
  - (2) An ATC permit shall be obtained prior to installation, replacement, or modification of any existing Rule 361 applicable boiler or water heater rated over 2,000 MMBtu/hr.
  - (3) An ATC shall be obtained for any size boiler or water heater if the unit is not fired on natural gas or propane.
8. **Vapor Recovery System.** The vapor recovery/gas collection (VR/GC) systems shall be connected, to each piece of equipment identified in this permit as being connected to the VR/GC system, and operating during production, storage, and/or processing of petroleum and petroleum related products. The VR/GC system includes all associated piping, valves, and flanges. The VR/GC system shall be maintained and operated in a manner such that the release of organic compounds from all systems, including pressure relief valves and gauge hatches, are minimized.
9. **Crude Oil Sampling.** Samples of crude oil shall be obtained from an active flow line into each tank, or from the tank, provided that there is an active flow of crude oil into the tank.
10. **Requirements for Produced Gas.** The emissions of produced gas shall be controlled at all times using a properly maintained and operated system that directs all produced gas, except gas used in a tank battery vapor recovery system, to one of the following: (a) a system handling gas for fuel, sale, or underground injection; or (b) a flare that combusts reactive organic compounds; or (c) a device with an ROC vapor removal efficiency of at least 90% by weight. The provisions of this condition shall not apply to wells which are undergoing routine maintenance.
11. **Consistency with Analysis.** Operation under this permit shall be conducted consistent with all data, specifications and assumptions included with the application and supplements thereof (as documented in the APCD's project file) and the APCD's analyses under which this permit is issued as documented in the Permit Evaluation prepared for and issued with the permit.
12. **Equipment Maintenance.** The equipment listed in this permit shall be properly maintained and kept in good condition at all times. The equipment manufacturer's maintenance manual, maintenance procedures and/or maintenance checklists (if any) shall be kept on site.

Permit to Operate 07307 - R9

Page 7 of 9

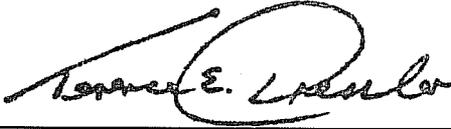
13. **Compliance.** Nothing contained within this permit shall be construed as allowing the violation of any local, state or federal rules, regulations, air quality standards or increments.
14. **Severability.** In the event that any condition herein is determined to be invalid, all other conditions shall remain in force.
15. **Conflict Between Permits.** The requirements or limits that are more protective of air quality shall apply if any conflict arises between the requirements and limits of this permit and any other permitting actions associated with the equipment permitted herein.
16. **Access to Records and Facilities.** As to any condition that requires for its effective enforcement the inspection of records or facilities by the APCD or its agents, the permittee shall make such records available or provide access to such facilities upon notice from the APCD. Access shall mean access consistent with California Health and Safety Code Section 41510 and Clean Air Act Section 114A.
17. **Emission Factor Revisions.** The APCD may update the emission factors for any calculation based on USEPA AP-42 or APCD emission factors at the next permit modification or permit reevaluation to account for USEPA and/or APCD revisions to the underlying emission factors.

Permit to Operate 07307 - R9

Page 8 of 9

18. **Grounds for Revocation.** Failure to abide by and faithfully comply with this permit or any Rule, Order, or Regulation may constitute grounds for revocation pursuant to California Health & Safety Code Section 42307 *et seq.*

AIR POLLUTION CONTROL OFFICER



---

AUG 20 2010

---

DATE

Attachments:

- Table 1 - Permitted Emission Limits
- Permit Equipment List
- Permit Evaluation for Permit to Operate 07307 - R9

Notes:

- Reevaluation Due Date: July 1, 2013
- Stationary sources are subject to an annual emission fee (see Fee Schedule B-3 of Rule 210).
- Annual reports are due by March 1<sup>st</sup> of each year.
- This permit supersedes Permit to Operate 07307 - R8 and ATC/PTO 13007.

\\sbcapcd.org\Shares\Groups\ENGR\WP\Oil&Gas\GSD\04008 Greka Las Flores\R7307-R9\Reeval 07307 R9 - Final Permit - 8-17-2010.doc

Permit to Operate 07307 - R9

Page 9 of 9

Table 1. Permitted Emissions

<b>Equipment / Process</b>	<b>NO<sub>x</sub></b>	<b>ROC</b>	<b>CO</b>	<b>SO<sub>x</sub></b>	<b>TSP</b>	<b>PM<sub>10</sub></b>
[3.75 MMBtu/hr Boiler]						
lb/day	8.82	0.49	7.42	12.61	0.68	0.68
TPY	1.61	0.09	1.35	2.30	0.12	0.12
[3.75 MMBtu/hr heat/treater]						
lb/day	8.82	0.49	7.42	12.61	0.68	0.68
TPY	1.61	0.09	1.35	2.30	0.12	0.12
[250 bbl Shipping Tank]						
lb/day		0.48				
TPY		0.09				
[1000 bbl reject tank]						
lb/day		0.89				
TPY		0.16				
[250 bbl Slurry Tank]						
lb/day		0.20				
TPY		0.04				
[loading rack]						
lb/day		2.87				
TPY		0.16				
[fugitives]						
lb/day		171.86				
TPY		33.51				
<b>Total</b>						
lb/day	17.64	177.28	14.84	25.22	1.36	1.36
TPY	3.22	34.14	2.70	4.60	0.24	0.24

Equipment List for Permit to Operate 07307 - R9

Page 1 of 10

**Tuesday, August 17, 2010**  
**Santa Barbara County APCD – Equipment List**

Reeval 07307 R9 / FID: 04008 Greka - Los Flores Lease / SSID: 08678

**A PERMITTED EQUIPMENT**

**1 O&G Wells, Cellars and Unassociated Valves & Flanges**

**1.1 Oil and Gas Wellheads**

---

<i>Device ID #</i>	<b>003679</b>	<i>Device Name</i>	<b>Oil and Gas Wellheads</b>
<i>Rated Heat Input</i>		<i>Physical Size</i>	33.00 Total Wells
<i>Manufacturer</i>		<i>Operator ID</i>	
<i>Model</i>		<i>Serial Number</i>	
<i>Location Note</i>			
<i>Device</i>	Each well equipped with a well cellar.		
<i>Description</i>			

---

**1.2 Well Cellars**

---

<i>Device ID #</i>	<b>003677</b>	<i>Device Name</i>	<b>Well Cellars</b>
<i>Rated Heat Input</i>		<i>Physical Size</i>	933.05 Square Feet Cellar Area
<i>Manufacturer</i>		<i>Operator ID</i>	
<i>Model</i>		<i>Serial Number</i>	
<i>Location Note</i>			
<i>Device</i>	Each cellar is 6 feet in diameter (28.27 SF each).		
<i>Description</i>			

---

Equipment List for Permit to Operate 07307 - R9

Page 2 of 10

**1.3 Valves & Fittings**

<i>Device ID #</i>	<b>003678</b>	<i>Device Name</i>	<b>Valves &amp; Fittings</b>
<i>Rated Heat Input</i>		<i>Physical Size</i>	33.00 Active Wells
<i>Manufacturer</i>		<i>Operator ID</i>	
<i>Model</i>		<i>Serial Number</i>	
<i>Location Note</i>			
<i>Device Description</i>	Piping, valves and flanges not associated with other permitted equipment items, which emit fugitive hydrocarbon emissions		

**1.4 Wastewater Pit**

<i>Device ID #</i>	<b>008529</b>	<i>Device Name</i>	<b>Wastewater Pit</b>
<i>Rated Heat Input</i>		<i>Physical Size</i>	141.00 BBL
<i>Manufacturer</i>		<i>Operator ID</i>	
<i>Model</i>		<i>Serial Number</i>	
<i>Location Note</i>			
<i>Device Description</i>			

**2 500 bbl Baker Tank**

<i>Device ID #</i>	<b>112049</b>	<i>Device Name</i>	<b>500 bbl Baker Tank</b>
<i>Rated Heat Input</i>		<i>Physical Size</i>	500.00 BBL
<i>Manufacturer</i>		<i>Operator ID</i>	
<i>Model</i>		<i>Serial Number</i>	
<i>Location Note</i>			
<i>Device Description</i>	Wastewater Tank. Dimensions: 8.5 ft W x 33 ft L x 10 ft H connected to vapor recovery. This tank is replacing the 1,000 bbl wastewater tank.		

Equipment List for Permit to Operate 07307 - R9

**3 Valves and Fittings**

<i>Device ID #</i>	<b>112050</b>	<i>Device Name</i>	<b>Valves and Fittings</b>
<i>Rated Heat Input</i>		<i>Physical Size</i>	
<i>Manufacturer</i>		<i>Operator ID</i>	
<i>Model</i>		<i>Serial Number</i>	
<i>Location Note</i>			
<i>Device</i>	Piping, valves and flanges not associated with other permitted equipment		
<i>Description</i>	items, which emit fugitive hydrocarbon emissions.		

**4 Crude Oil Storage/Shipping Tank**

<i>Device ID #</i>	<b>003648</b>	<i>Device Name</i>	<b>Crude Oil Storage/Shipping Tank</b>
<i>Rated Heat Input</i>		<i>Physical Size</i>	250.00 BBL
<i>Manufacturer</i>		<i>Operator ID</i>	
<i>Model</i>		<i>Serial Number</i>	
<i>Location Note</i>			
<i>Device</i>	Diameter of 15.6 feet and a height of 8 feet, connected to the vapor recovery		
<i>Description</i>	system.		

**5 500 bbl Baker Tank**

<i>Device ID #</i>	<b>112060</b>	<i>Device Name</i>	<b>500 bbl Baker Tank</b>
<i>Rated Heat Input</i>		<i>Physical Size</i>	500.00 BBL
<i>Manufacturer</i>		<i>Operator ID</i>	
<i>Model</i>		<i>Serial Number</i>	
<i>Location Note</i>			
<i>Device</i>	Wastewater Tank. Dimensions: 8.5 ft W x 33 ft L x 10 ft H not connected to		
<i>Description</i>	vapor recovery. This tank is replacing the 2,000 bbl wastewater tank.		

Equipment List for Permit to Operate 07307 - R9

Page 4 of 10

**6 Crude Oil Storage/Reject Tank**

<i>Device ID #</i>	<b>003651</b>	<i>Device Name</i>	<b>Crude Oil Storage/Reject Tank</b>
<i>Rated Heat Input</i>		<i>Physical Size</i>	1000.00 BBL
<i>Manufacturer</i>		<i>Operator ID</i>	
<i>Model</i>		<i>Serial Number</i>	
<i>Location Note</i>			
<i>Device Description</i>	Diameter of 21.5 feet and a height of 16 feet, connected to the vapor recovery system.		

**7 Wastewater Tank**

<i>Device ID #</i>	<b>003653</b>	<i>Device Name</i>	<b>Wastewater Tank</b>
<i>Rated Heat Input</i>		<i>Physical Size</i>	2000.00 BBL
<i>Manufacturer</i>		<i>Operator ID</i>	
<i>Model</i>		<i>Serial Number</i>	
<i>Location Note</i>			
<i>Device Description</i>	Diameter of 29.7 feet and a height of 16 feet, equipped with a solid roof.		

**8 Slurry Tank**

<i>Device ID #</i>	<b>003649</b>	<i>Device Name</i>	<b>Slurry Tank</b>
<i>Rated Heat Input</i>		<i>Physical Size</i>	300.00 BBL
<i>Manufacturer</i>		<i>Operator ID</i>	
<i>Model</i>		<i>Serial Number</i>	
<i>Location Note</i>			
<i>Device Description</i>	Diameter of 8.0 feet and a height of 30 feet, connected to the vapor recovery system.		

Equipment List for Permit to Operate 07307 - R9

**9 Drain Tank**

<i>Device ID #</i>	<b>006663</b>	<i>Device Name</i>	<b>Drain Tank</b>
<i>Rated Heat Input</i>		<i>Physical Size</i>	20.00 BBL
<i>Manufacturer</i>		<i>Operator ID</i>	
<i>Model</i>		<i>Serial Number</i>	
<i>Location Note</i>			
<i>Device Description</i>	Not connected to a vapor recovery system.		

**10 Freewater Knockout Vessel**

<i>Device ID #</i>	<b>006664</b>	<i>Device Name</i>	<b>Freewater Knockout Vessel</b>
<i>Rated Heat Input</i>		<i>Physical Size</i>	
<i>Manufacturer</i>		<i>Operator ID</i>	
<i>Model</i>		<i>Serial Number</i>	
<i>Location Note</i>			
<i>Device Description</i>	Diameter of 10 feet and a length of 60 feet, connected to the vapor recovery system.		

**11 Transfer Pumps**

<i>Device ID #</i>	<b>006665</b>	<i>Device Name</i>	<b>Transfer Pumps</b>
<i>Rated Heat Input</i>		<i>Physical Size</i>	38.00 Horsepower (Electric Motor)
<i>Manufacturer</i>		<i>Operator ID</i>	
<i>Model</i>		<i>Serial Number</i>	
<i>Location Note</i>			
<i>Device Description</i>	a) 1 horsepower electric motor, serving the reject tank. b) 20 horsepower electric motor, serving the sump. c) 10 horsepower electric motor, serving the 1,000 bbl crude storage tank. d) 5 horsepower electric motor, serving the LACT unit. e) 2 horsepower electric motor, serving the VRS scrubber		

Equipment List for Permit to Operate 07307 - R9

**2 LACT Unit**

---

<i>Device ID #</i>	<b>006666</b>	<i>Device Name</i>	<b>LACT Unit</b>
<i>Rated Heat Input</i>		<i>Physical Size</i>	50.00 Horsepower (Electric Motor)
<i>Manufacturer</i>		<i>Operator ID</i>	
<i>Model</i>		<i>Serial Number</i>	
<i>Location Note</i>			
<i>Device</i>	LACT Unit with a shipping pump, driven by a 50 horsepower electric motor.		
<i>Description</i>			

---

**13 Emergency Wastewater Pits**

**13.1 Emergency Pit**

---

<i>Device ID #</i>	<b>008526</b>	<i>Device Name</i>	<b>Emergency Pit</b>
<i>Rated Heat Input</i>		<i>Physical Size</i>	7125.00 BBL
<i>Manufacturer</i>		<i>Operator ID</i>	
<i>Model</i>		<i>Serial Number</i>	
<i>Location Note</i>			
<i>Device</i>			
<i>Description</i>			

---

**13.2 Emergency Pit**

---

<i>Device ID #</i>	<b>008527</b>	<i>Device Name</i>	<b>Emergency Pit</b>
<i>Rated Heat Input</i>		<i>Physical Size</i>	7125.00 BBL
<i>Manufacturer</i>		<i>Operator ID</i>	
<i>Model</i>		<i>Serial Number</i>	
<i>Location Note</i>			
<i>Device</i>			
<i>Description</i>			

---

Equipment List for Permit to Operate 07307 - R9

**13.3 Emergency Pit**

<i>Device ID #</i>	<b>008528</b>	<i>Device Name</i>	<b>Emergency Pit</b>
<i>Rated Heat Input</i>		<i>Physical Size</i>	4800.00 BBL
<i>Manufacturer</i>		<i>Operator ID</i>	
<i>Model</i>		<i>Serial Number</i>	
<i>Location Note</i>			
<i>Device</i>			
<i>Description</i>			

**14 Two-Phase Separators**

<i>Device ID #</i>	<b>006667</b>	<i>Device Name</i>	<b>Two-Phase Separators</b>
<i>Rated Heat Input</i>		<i>Physical Size</i>	
<i>Manufacturer</i>		<i>Operator ID</i>	
<i>Model</i>		<i>Serial Number</i>	
<i>Location Note</i>			
<i>Device</i>			
<i>Description</i>	<p>Three (3), each 4 feet in diameter by 15 feet high, connected to the gas gathering system. Two vessels are located at the tank battery and one is located at well #26-22.</p> <p>One, 1.6 feet in diameter by 9 feet high, connected to the gas gathering system located near the tank vapor recovery compressor.</p>		

**15 Heater Treater**

<i>Device ID #</i>	<b>003657</b>	<i>Device Name</i>	<b>Heater Treater</b>
<i>Rated Heat Input</i>	3.750 MMBtu/Hour	<i>Physical Size</i>	
<i>Manufacturer</i>	C.E. Natco	<i>Operator ID</i>	
<i>Model</i>	VHH-C	<i>Serial Number</i>	1035-56
<i>Location Note</i>			
<i>Device</i>			
<i>Description</i>			

Equipment List for Permit to Operate 07307 - R9

Page 8 of 10

**16 Boiler/Tank Heater**

---

<i>Device ID #</i>	<b>003652</b>	<i>Device Name</i>	<b>Boiler/Tank Heater</b>
<i>Rated Heat Input</i>	3.750 MMBtu/Hour	<i>Physical Size</i>	
<i>Manufacturer</i>	Ajax	<i>Operator ID</i>	
<i>Model</i>	WGB-3750-D	<i>Serial Number</i>	83-35345
<i>Location Note</i>			
<i>Device</i>			
<i>Description</i>			

---

**17 Wemco Depurator Unit With VRS**

---

<i>Device ID #</i>	<b>003654</b>	<i>Device Name</i>	<b>Wemco Depurator Unit With VRS</b>
<i>Rated Heat Input</i>		<i>Physical Size</i>	
<i>Manufacturer</i>	Ajax	<i>Operator ID</i>	
<i>Model</i>	WGB-3750-D #56	<i>Serial Number</i>	83-35345
<i>Location Note</i>			
<i>Device</i>	Equipped with four oil water separator paddles each driven by a 5		
<i>Description</i>	horsepower electric driven motor.		

---

**18 Crude Oil Loading Rack**

---

<i>Device ID #</i>	<b>006891</b>	<i>Device Name</i>	<b>Crude Oil Loading Rack</b>
<i>Rated Heat Input</i>		<i>Physical Size</i>	
<i>Manufacturer</i>		<i>Operator ID</i>	
<i>Model</i>		<i>Serial Number</i>	
<i>Location Note</i>			
<i>Device</i>	Connected to the VRS.		
<i>Description</i>			

---

Equipment List for Permit to Operate 07307 - R9

Page 9 of 10

**19 Sump**

---

<i>Device ID #</i>	<b>104930</b>	<i>Device Name</i>	<b>Sump</b>
<i>Rated Heat Input</i>		<i>Physical Size</i>	88.00 Square Feet Sump Area
<i>Manufacturer</i>		<i>Operator ID</i>	
<i>Model</i>		<i>Serial Number</i>	
<i>Location Note</i>			
<i>Device Description</i>	8 feet wide, 11 feet long, 8 feet deep, 121 barrel capacity.		

---

**20 Shipping Pump for Loading Rack**

---

<i>Device ID #</i>	<b>008525</b>	<i>Device Name</i>	<b>Shipping Pump for Loading Rack</b>
<i>Rated Heat Input</i>		<i>Physical Size</i>	
<i>Manufacturer</i>		<i>Operator ID</i>	
<i>Model</i>		<i>Serial Number</i>	
<i>Location Note</i>			
<i>Device Description</i>	Loading rack shipping pump driven by a 5.0 bhp electric motor.		

---

Equipment List for Permit to Operate 07307 - R9

**21 Vapor Recovery System**

<i>Device ID #</i>	<b>006668</b>	<i>Device Name</i>	<b>Vapor Recovery System</b>
<i>Rated Heat Input</i>		<i>Physical Size</i>	15.00 Horsepower (Electric Motor)
<i>Manufacturer</i>		<i>Operator ID</i>	
<i>Model</i>	JA35	<i>Serial Number</i>	
<i>Location Note</i>			
<i>Device</i>	VaporRecovPtEfficiency	Units	
<i>Description</i>	Crude Shipping Tank	95% by weight	
	Crude Reject Tank	95% by weight	
	1,000 bbl Wastewater Tank	95% by weight	
	Slurry Tank	95% by weight	
	Wemco	95% by weight	
	Free Water Knockout	95% by weight	
	Crude Oil Loading Rack	95% by weight	

The vapor recovery compressor is driven by a 15 horsepower electric motor.

**E DE-PERMITTED EQUIPMENT**

**1 Wastewater Tank**

<i>Device ID #</i>	<b>003650</b>	<i>Device Name</i>	<b>Wastewater Tank</b>
<i>Rated Heat Input</i>		<i>Physical Size</i>	1000.00 BBL
<i>Manufacturer</i>		<i>Operator ID</i>	
<i>Model</i>		<i>Serial Number</i>	
<i>Depermitted</i>		<i>Facility Transfer</i>	
<i>Device</i>	Diameter of 21.5 feet and a height of 16 feet, connected to the vapor		
<i>Description</i>	recovery system.		



**PERMIT EVALUATION FOR  
PERMIT TO OPERATE 07307 - R9**

Page 1 of 6

**1.0 BACKGROUND**

1.1 General: The Los Flores lease was originally operated by the Mobil Oil Corporation. Mobil sold this production and processing facility to Shell Western E&P in April 1988. Shell operated this facility for several years until it was sold to Vintage Petroleum, Inc. Vintage subsequently sold it to Greka. Transfer of the facility to Greka occurred on August 13, 2002.

1.2 Permit History:

PERMIT	FINAL ISSUED	PERMIT DESCRIPTION
Reeval 07307 R3	05/06/1988	See Permit.
Reeval 07307 R1	05/23/1990	See Permit.
Reeval 07307 R2	10/07/1992	See Permit.
ATC 09379	04/20/1995	See Permit.
Reeval 07307 R4	09/14/1995	See Permit.
ATC 09436	09/22/1995	See Permit.
Reeval 07307 R5	10/21/1998	See Permit.
ATC 10046	01/15/1999	New crude oil loading rack connected to a VRS.
Reeval 07307 R6	07/10/2001	Oil & Gas Reeval.
Trn O/O 07307 01	08/13/2002	Transfer from Vintage to Greka.
PTO 10046	10/14/2002	Crude Loading Rack.
Exempt 11035	06/03/2003	Exemption for use of a 500 bbl Baker tank as a crude oil.
ATC 11031	06/10/2003	Replace a 1,000 bbl crude oil tank that failed. Tank connected to VRS.
ATC 11053	07/18/2003	Replace storage tank with a 500 bbl Baker tank.
PTO 11031	12/12/2003	Replaced a 1,000 bbl crude oil tank that failed.
Reeval 07307 R7	09/08/2004	Oil & Gas production site. 33 wells, two boilers & a tank battery.
Reeval 07307 R8	07/20/2007	Oil & Gas production site. 33 wells, two boilers & a tank battery.
ATC/PTO 12617	03/28/2008	Portable tank to be used for storage of produced water.
ATC/PTO Mod 12617 01	05/30/2008	Extension of ATC/PTO 12617.
ATC/PTO 13007	12/12/2008	Two 500 BBL Baker Tanks: "surge tank" and "injection tank".

**PERMIT EVALUATION FOR  
PERMIT TO OPERATE 07307 - R9**

Page 2 of 6

PERMIT	FINAL ISSUED	PERMIT DESCRIPTION
ATC 13136	04/28/2009	Minneapolis Moline 800 ICE de-rated to 48 HP. Burns field gas. To be installed at Well No. 88.
PTO 13136	12/11/2009	Minneapolis Moline 800 ICE de-rated to 48 HP. Burns field gas. To be installed at Well No. 88.

**1.3 Compliance History:**

VIOLATION TYPE	NUMBER	ISSUE DATE	DESCRIPTION OF VIOLATION
NOV	4648	01/20/1994	Exceeding the number of leaks specified in Table 1, Sec. F.2.
NOV	4843	03/07/1995	Exceeding the number of leaks specified in Table 1, Sec. F.2.
NOV	7430	04/18/2003	Exceeding the number of leaks specified in Table 1, Sec. F.2.
NOV	7429	04/18/2003	Burning fuel gas with a sulfur content higher than 796 PPM.
NOV	7825	09/10/2003	Open hatch on the Baker tank.
NOV	7826	09/10/2003	No vapor recovery at tank to truck loading hose. Baker tank is not connected to the facility wading rack (PTO 7307) as indicated in project process description of ATC 11053.
NOV	7857	10/16/2003	Crude oil loading from the Los Flores lease baker tank without vapor recovery.
NOV	8039	07/07/2004	Failure to control produced gas per section E.1
NOV	8338	10/06/2005	A small quantity of oil from the oil pad in the wastewater tank leaked out from about 5 small rust holes in the top of the top ring.
NOV	8339	10/14/2005	Wastewater sample received on September 27, 2005 indicated that the wastewater contained 12 milligrams/liter ROC. The limit for the 325.B.3 exemption is 5 milligrams/liter
NOV	9134	05/09/2008	Exceeding the number of leaks specified in Table 1, Sec. F.2.
NOV	9138	06/30/2008	Use of the emergency wastewater pits more than 30 days per year.
NOV	9340	11/05/2009	The ICE at Well #88 was found not running while the gaseous fuel to the ICE was still on. In this condition, the gaseous fuel was passing through the unit and out the exhaust stack.

**2.0 ENGINEERING ANALYSIS**

2.1 Equipment/Processes: The equipment subject to this permit includes wellheads, well cellars, a casinghead gas gathering system and various types of crude oil production and gathering vessels

PERMIT EVALUATION FOR  
PERMIT TO OPERATE 07307 - R9

Page 3 of 6

necessary for the processing of crude oil. This facility has been processing oil and gas from the wells at this site since the previous permit reevaluation and is currently operating. There is one internal combustion engine which is permitted under PTO 13136.

- 2.2 Emission Controls: A fugitive hydrocarbon inspection and maintenance program is implemented to comply with APCD Rule 331. An 80-percent reduction is applied to valves, fittings, and wellheads for implementation of Rule 331. The crude oil storage tanks and one of the two Baker tanks are connected to vapor recovery. The 2,000 bbl wastewater tank is equipped with a solid roof but not connected to vapor recovery. One Baker tank (APCD #112060) which serves as a water injection tank is not connected to vapor recovery. See Section 4.2 for details.
- 2.3 Emission Factors: Emission factors are documented in the attached emission calculation worksheets.
- 2.4 Reasonable Worst Case Emission Scenario: Worst case emissions are based on operation of this facility 24 hours/day, 365 days per year.
- 2.5 Emission Calculations: Detailed emission calculation spreadsheets may be found in Attachment A. These emissions define the Potential to Emit for the permitted equipment.
- 2.6 Special Calculations: There are no special calculations.
- 2.7 BACT Analyses: Best Available Control Technology was not required for this project.
- 2.8 Enforceable Operational Limits: The permit has enforceable operating conditions to ensure compliance with APCD rules and regulations.
- 2.9 Monitoring Requirements: The monitoring of the gaseous fuel used in the fuel burning equipment, the volumes of oil and gas produced at this facility and fugitive component emissions is required.
- 2.10 Recordkeeping and Reporting Requirements: The permit requires that specific data be recorded and reported to the APCD.

### **3.0 REEVALUATION REVIEW**

- 3.1 Compliance Summary: Since the past permit reevaluation, routine facility inspections were conducted on April 29, 2008 and March 27, 2009. With the exception of the enforcement actions addressed in section 3.1 above, the inspection reports indicate that this facility was operating in compliance with APCD rules and regulations and the conditions of this permit.
- 3.2 Changes to Applicable Rules (or new rules): n/a.

PERMIT EVALUATION FOR  
PERMIT TO OPERATE 07307 - R9

Page 4 of 6

- 3.3 Changes/Revisions to Engineering Analysis (EF updates, etc.): n/a.
- 3.4 Changes/Revisions to Monitoring, Recordkeeping & Reporting: n/a.
- 3.5 Other Changes/Corrections made: n/a.

**4.0 REGULATORY REVIEW**

- 4.1 Partial List of Applicable Rules: This project is anticipated to operate in compliance with the following rules:

- Rule 101. Compliance of Existing Facilities
- Rule 202. Exemptions to Rule 201
- Rule 205. Standards for Granting Permits
- Rule 302. Visible Emissions
- Rule 303. Nuisance
- Rule 309. Specific Contaminants
- Rule 310. Odorous Organic Sulfides
- Rule 311. Sulfur Content of Fuels
- Rule 324. Disposal and Evaporation of Solvents
- Rule 325. Crude Oil Production and Separation
- Rule 331. Fugitive Emissions Inspection and Maintenance
- Rule 344. Sumps, Pits and Well Cellars
- Rule 346. Loading of Organic Liquid Cargo Vessels
- Rule 353. Adhesives and Sealants
- Rule 505. Breakdown Procedures
- Rule 801. New Source Review
- Rule 802. Nonattainment Review
- Rule 803. Prevention of Significant Deterioration

- 4.2 Rules Requiring Review:

*Rule 325. Crude Oil Production and Separation.* The 2,000 bbl waste water tank is subject to Rule 325 however, prior to September 27, 2005 this tank qualified for the Rule 325.B.3 exemption (ROC content of liquid entering tank is <5mg/l) thereby exempting it from 325.D.2 (325.D.1 did not apply since the tank is 150 ft. from the tank battery, i.e., it is a tank not a tank battery). A September 2005 sample analysis determined that the tank liquid no longer qualified for this exemption, therefore it became subject to 325.D.2, and, in accordance with Rule 325, was equipped with a solid roof. An 85% emission reduction has been applied to this tank. An August 2010 sample analysis demonstrated that the ROC content of the fluids in Baker Tank (#112060) are <5mg/l, therefore the tank qualifies for the Rule 325.B exemption, and is not connected to vapor recovery.

PERMIT EVALUATION FOR  
PERMIT TO OPERATE 07307 - R9

Page 5 of 6

*Rule 344. Petroleum Sumps, Pits and Well Cellars.* The well cellars are inspected and pumped out to comply with APCD Rule 344. A 70-percent emissions reduction is applied to well cellars for implementation of this rule. The sump, which is active and in use, is exempt per Rule 344.B.4 (less than 1,000 ft<sup>2</sup>). The wastewater pits, which are out of service, are exempt from this rule per exemption 344.B.3.b (used less than 30 days per year). The fourth wastewater pit, which is out of service, is exempt from this rule per exemption 344.B.4 (less than 1,000 ft<sup>2</sup>).

*Rule 346. Loading of Organic Liquid Cargo Vessels.* The loading rack is subject to Rule 346 and is connected to vapor recovery. A 95% emission reduction has been applied to this unit.

- 4.3 NEI Calculations: The net emission increase calculation is used to determine whether certain requirements must be applied to a project (e.g., offsets, AQIA, PSD BACT). This facility began operations before 1990, however, there were permit modifications after 1990 that resulted in NEI. This NEI is summarized in Attachment B.

**5.0 AQIA**

This source is not subject to the Air Quality Impact Analysis requirements of Regulation VIII.

**6.0 OFFSETS/ERCs**

- 6.1 General: The emission offset thresholds of Regulation VIII are not exceeded.  
6.2 Offsets: Offsets are not required for this permitting action or this stationary source.  
6.3 ERCs: This source does not generate emission reduction credits.

**7.0 AIR TOXICS**

An air toxics health risk assessment is not required for this source.

**8.0 CALIFORNIA ENVIRONMENTAL QUALITY ACT (CEQA) REVIEW**

This project is exempt from CEQA pursuant to the Environmental Review Guidelines for the Santa Barbara County APCD (revised November 16, 2000). Appendix A.2 (*Equipment or Operations Exempt from CEQA*) specifically exempts permit reevaluations. No further action is necessary.

**9.0 SCHOOL NOTIFICATION PROCESS**

A school notice pursuant to the requirements of H&SC §42301.6 was not required.

**10.0 PUBLIC and AGENCY NOTIFICATION PROCESS/COMMENTS ON DRAFT PERMIT**

This project was not subject to public notice. There were only minor comments on the draft permit.

PERMIT EVALUATION FOR  
PERMIT TO OPERATE 07307 - R9

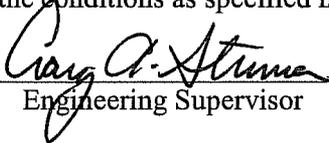
Page 6 of 6

**11.0 FEE DETERMINATION**

Fees for the APCD's work efforts are assessed on a fee basis. The Project Code is 300000 (*Oil & Gas*). The fee calculations may be found in Attachment "D". The fee for this permit reevaluation is significantly less than the previous reevaluation due to the removal of two water transfer pumps.

**12.0 RECOMMENDATION**

It is recommended that this permit be granted with the conditions as specified in the permit.

<u>J. Menno</u> AQ Engineer	<u>August 2010</u> Date	 Engineering Supervisor	<u>August 2010</u> Date
--------------------------------	----------------------------	--	----------------------------

ATTACHMENTS

- A. Emission Calculations
- B. IDS Tables
- C. Well List
- D. Fee Calculations

# ATTACHMENT "A"

## Emission Calculations

Attachment: 1

Date: 08/09/10

BOILER / STEAM GENERATOR CALCULATION WORKSHEET (ver. 6.0)
---

**DATA**

Permit No. ....	7307
Owner/Operator .....	Greka Oil and Gas, Inc.
Facility/Lease .....	Los Flores
Boiler Type .....	Firetube
Boiler Mfg. ....	Ajax
Boiler Model No. ....	WGP-3750-D
Boiler Serial/ID No. ....	83-35345
Boiler Horsepower .....	no data Bhp
Burner Type .....	Gas
Burner Mfg. ....	Ajax
Burner Model No. ....	3750
Max. Firing Rate of Burner .....	3.750 MMBtu/hr
Max. Annual Heat Input .....	32,850.000 MMBtu/yr
Daily Operating schedule .....	24 hrs/day
Yearly Load factor (%) .....	100 %
Fuel Type .....	Field Gas
High Heating Value .....	1,020 Btu/scf
Sulfur Content of Fuel .....	796.00 ppmvd as H <sub>2</sub> S
Nitrogen Content of Fuel .....	- wt. % N
Boiler Classification .....	Commercial
Firing Type .....	Other Type
PM Emission Factor .....	0.0075 lb/MMBtu
PM <sub>10</sub> Emission Factor .....	0.0075 lb/MMBtu
NO <sub>x</sub> Emission Factor .....	0.0980 lb/MMBtu
SO <sub>x</sub> Emission Factor .....	0.1401 lb/MMBtu
CO Emission Factor .....	0.0824 lb/MMBtu
ROC Emission Factor .....	0.0054 lb/MMBtu

**RESULTS**

	<b>lb/hr</b>	<b>lb/day</b>	<b>TPY</b>
Nitrogen Oxides (as NO <sub>2</sub> ) .....	0.37	8.82	1.61
Sulfur Oxides (as SO <sub>2</sub> ) .....	0.53	12.61	2.30
PM <sub>10</sub> .....	0.03	0.68	0.12
Total Suspended Particulate (PM) ..	0.03	0.68	0.12
Carbon Monoxide .....	0.31	7.42	1.35
Reactive Organic Compounds (ROC)	0.02	0.49	0.09
Hourly Heat Release .....	3.750 MMBtu/hr		
Daily Heat Release.....	90.000 MMBtu/day		
Annual Heat Release .....	32,850.000 MMBtu/yr		
Rule 342 Applicability .....	32.9 Billion Btu/yr		

BOILER / STEAM GENERATOR CALCULATION WORKSHEET (ver. 6.0)
---

**DATA**

Permit No. ....	7307
Owner/Operator .....	Greka Oil and Gas, Inc.
Facility/Lease .....	Las Flores
Boiler Type .....	Firetube
Boiler Mfg. ....	C.E.Natco
Boiler Model No. ....	VFH-C
Boiler Serial/ID No. ....	1035-56
Boiler Horsepower .....	no data Bhp
Burner Type .....	Gas
Burner Mfg. ....	C. E. Natco
Burner Model No. ....	400
Max. Firing Rate of Burner .....	3.750 MMBtu/hr
Max. Annual Heat Input .....	32,850.000 MMBtu/yr
Daily Operating schedule .....	24 hrs/day
Yearly Load factor (%) .....	100 %
Fuel Type .....	Field Gas
High Heating Value .....	1,020 Btu/scf
Sulfur Content of Fuel .....	796.00 ppmvd as H2S
Nitrogen Content of Fuel .....	- wt. % N
Boiler Classification .....	Commercial
Firing Type .....	Other Type
PM Emission Factor .....	0.0075 lb/MMBtu
PM <sub>10</sub> Emission Factor .....	0.0075 lb/MMBtu
NO <sub>x</sub> Emission Factor .....	0.0980 lb/MMBtu
SO <sub>x</sub> Emission Factor .....	0.1401 lb/MMBtu
CO Emission Factor .....	0.0824 lb/MMBtu
ROC Emission Factor .....	0.0054 lb/MMBtu

**RESULTS**

	<b>lb/hr</b>	<b>lb/day</b>	<b>TPY</b>
Nitrogen Oxides (as NO <sub>2</sub> ) .....	0.37	8.82	1.61
Sulfur Oxides (as SO <sub>2</sub> ) .....	0.53	12.61	2.30
PM <sub>10</sub> .....	0.03	0.68	0.12
Total Suspended Particulate (PM) ...	0.03	0.68	0.12
Carbon Monoxide .....	0.31	7.42	1.35
Reactive Organic Compounds (ROC)	0.02	0.49	0.09
Hourly Heat Release .....	3.750 MMBtu/hr		
Daily Heat Release.....	90.000 MMBtu/day		
Annual Heat Release .....	32,850.000 MMBtu/yr		
Rule 342 Applicability .....	32.9 Billion Btu/yr		

**FIXED ROOF TANK CALCULATION (AP-42: Chapter 7 Method)**

Basic Input Data	
liquid (1:G13, 2:G10, 3:G7, 4:C, 5:JP, 6:ker, 7:O2, 8:O6) =	4
liquid TVP =	0.6
if TVP is entered, enter TVP temperature (°F) =	100
tank heated (yes, no) =	yes
if tank is heated, enter temp (°F) =	190
vapor recovery system present? (yes, no) =	yes
is this a wash tank? (yes, no) =	no
will flashing losses occur in this tank? (yes, no) =	no
breather vent pressure setting range (psf) (def = 0.06):	0.06

Attachment: 3  
 Permit: PTO 7307  
 Date: 08/09/10  
 Tank: Shipping Tank  
 Name: Los Flores Lease  
 Filename:  
 District: Santa Barbara  
 Version: Tank-2b.xls

PRINT

Tank Data	
diameter (feet) =	16.6
capacity (enter barrels in first col, gals will compute) =	250 10,500
conical or dome roof? (c, d) =	c
shell height (feet) =	8
roof height (def = 1):	1
ave liq height (feet):	4
color {1:Spec Al, 2:Diff Al, 3:Lite, 4:Med, 5:Rd, 6:Wh} =	4
condition {1: Good, 2: Poor} =	1
upstream pressure (psig) (def = 0 when no flashing occurs):	0

paint color	Paint Factor Matrix, paint condition	
	good	poor
spec alum	0.39	0.49
diff alum	0.60	0.68
lite grey	0.54	0.63
med grey	0.68	0.74
red	0.89	0.91
white	0.17	0.34

Molecular Weight Matrix	
liquid	mol wt
gas rvp 13	62
gas rvp 10	66
gas rvp 7	68
crude oil	50
JP -4	80
jet kerosene	130
fuel oil 2	130
fuel oil 6	190

Liquid Data		
	A	B
maximum daily throughput (bopd) =		300
Ann thruput (gal): (enter value in Column A if not max PTE)	4.599E+06	
RVP (psia):	0.73868	
*API gravity =		13

Computed Values	
roof outage <sup>1</sup> (feet):	0.3
vapor space volume <sup>2</sup> (cubic feet):	931
turnovers <sup>3</sup> :	438
turnover factor <sup>4</sup> :	0.24
paint factor <sup>5</sup> :	0.68
surface temperatures (°R, °F)	
average <sup>6</sup> :	650 190
maximum <sup>7</sup> :	651.25 191.25
minimum <sup>8</sup> :	648.75 188.75
product factor <sup>9</sup> :	0.75
diurnal vapor ranges	
temperature <sup>10</sup> (fahrenheit degrees):	5
vapor pressure <sup>11</sup> (psia):	0.178646
molecular weight <sup>12</sup> (lb/lb-mol):	50
TVP <sup>13</sup> (psia) [adjusted for ave liquid surface temp]:	3.95725
vapor density <sup>14</sup> (lb/cubic foot):	0.028367
vapor expansion factor <sup>15</sup> :	0.019
vapor saturation factor <sup>16</sup> :	0.525802
vented vapor volume (scf/bbl):	8
fraction ROG - flashing losses:	0.308
fraction ROG - evaporative losses:	0.885

Adjusted TVP Matrix	
liquid	TVP value
gas rvp 13	25.1
gas rvp 10	11.7
gas rvp 7	11.3
crude oil	3.95725
JP -4	5.2
jet kerosene	0.041
fuel oil 2	0.0451
fuel oil 6	0.00017

RVP Matrix	
liquid	RVP value
gas rvp 13	13
gas rvp 10	10
gas rvp 7	7
crude oil	0.738677
JP -4	2.7
jet kerosene	0.029
fuel oil 2	0.022
fuel oil 6	0.00019

Long-Term  
 VRU\_Eff = 95.00%

Short-Term  
 VRU\_Eff = 95.00%

Emissions	Uncontrolled ROC emissions			Controlled ROC emissions		
	lb/hr	lb/day	ton/year	lb/hr	lb/day	ton/year
breathing loss <sup>17</sup> =	0.01	0.23	0.04	0.00	0.01	0.00
working loss <sup>18</sup> =	0.39	9.46	1.73	0.02	0.47	0.09
flashing loss <sup>19</sup> =	0.00	0.00	0.00	0.00	0.00	0.00
<b>TOTALS =</b>	<b>0.40</b>	<b>9.69</b>	<b>1.77</b>	<b>0.02</b>	<b>0.48</b>	<b>0.09</b>

**FIXED ROOF TANK CALCULATION (AP-42: Chapter 7 Method)**

Basic Input Data	
liquid {1:G13, 2:G10, 3:G7, 4:C, 5:JP, 6:ker, 7:O2, 8:O6} =	4
liquid TVP =	0.6
if TVP is entered, enter TVP temperature (°F) =	100
tank heated (yes, no) =	yes
if tank is heated, enter temp (°F) =	190
vapor recovery system present? (yes, no) =	yes
is this a wash tank? (yes, no) =	no
will flashing losses occur in this tank? (yes, no) =	no
breather vent pressure setting range (psf) (def = 0.06):	0.06

Tank Data	
diameter (feet) =	8
capacity (enter barrels in first col, gals will compute) =	300 12,600
conical or dome roof? (c, d) =	c
shell height (feet) =	30
roof height (def = 1):	1
ave liq height (feet):	15
color {1:Spec Al, 2:Diff Al, 3:Lite, 4:Med, 5:Rd, 6:Wh} =	4
condition (1: Good, 2: Poor) =	1
upstream pressure (psig) (def = 0 when no flashing occurs):	0

Liquid Data		
	A	B
maximum daily throughput (bopd) =		30
Ann thruput (gal): (enter value in Column A if not max PTE)	4.599E+05	
RVP (psia):	0.73868	
*API gravity =		13

Computed Values	
roof outage <sup>1</sup> (feet):	0.3
vapor space volume <sup>2</sup> (cubic feet):	769
turnovers <sup>3</sup> :	36.5
turnover factor <sup>4</sup> :	0.99
paint factor <sup>5</sup> :	0.68
surface temperatures (°R, °F)	
average <sup>6</sup> :	650 190
maximum <sup>7</sup> :	651.25 191.25
minimum <sup>8</sup> :	648.75 188.75
product factor <sup>9</sup> :	0.75
diurnal vapor ranges	
temperature <sup>10</sup> (fahrenheit degrees):	5
vapor pressure <sup>11</sup> (psia):	0.178646
molecular weight <sup>12</sup> (lb/lb-mol):	50
TVP <sup>13</sup> (psia) [adjusted for ave liquid surface temp]:	3.95725
vapor density <sup>14</sup> (lb/cubic foot):	0.028367
vapor expansion factor <sup>15</sup> :	0.019
vapor saturation factor <sup>16</sup> :	0.23759
vented vapor volume (scf/bbl):	8
fraction ROG - flashing losses:	0.308
fraction ROG - evaporative losses:	0.885

Attachment: 4  
 Permit: PTO 7307  
 Date: 08/09/10  
 Tank: Slurry Tank  
 Name: Los Flores Lease  
 Filename:  
 District: Santa Barbara  
 Version: Tank-2b.xls

PRINT

paint color	Paint Factor Matrix	
	paint condition	
	good	poor
spec alum	0.39	0.49
diff alum	0.60	0.68
lite grey	0.54	0.63
med grey	0.68	0.74
red	0.89	0.91
white	0.17	0.34

Molecular Weight Matrix	
liquid	mol wt
gas rvp 13	62
gas rvp 10	66
gas rvp 7	68
crude oil	50
JP -4	80
jet kerosene	130
fuel oil 2	130
fuel oil 6	190

Adjusted TVP Matrix	
liquid	TVP value
gas rvp 13	25.1
gas rvp 10	11.7
gas rvp 7	11.3
crude oil	3.95725
JP -4	5.2
jet kerosene	0.041
fuel oil 2	0.0451
fuel oil 6	0.00017

RVP Matrix	
liquid	RVP value
gas rvp 13	13
gas rvp 10	10
gas rvp 7	7
crude oil	0.738677
JP -4	2.7
jet kerosene	0.029
fuel oil 2	0.022
fuel oil 6	0.00019

Long-Term  
 VRU\_Eff = 95.00%

Short-Term  
 VRU\_Eff = 95.00%

Emissions	Uncontrolled ROC emissions			Controlled ROC emissions		
	lb/hr	lb/day	ton/year	lb/hr	lb/day	ton/year
breathing loss <sup>17</sup> =	0.00	0.09	0.02	0.00	0.00	0.00
working loss <sup>18</sup> =	0.16	3.90	0.71	0.01	0.20	0.04
flashing loss <sup>19</sup> =	0.00	0.00	0.00	0.00	0.00	0.00
<b>TOTALS =</b>	<b>0.17</b>	<b>3.99</b>	<b>0.73</b>	<b>0.01</b>	<b>0.20</b>	<b>0.04</b>

**FIXED ROOF TANK CALCULATION (AP-42: Chapter 7 Method)**

Basic Input Data	
liquid {1:G13, 2:G10, 3:G7, 4:C, 5:JP, 6:ker, 7:O2, 8:O6} =	4
liquid TVP =	0.6
if TVP is entered, enter TVP temperature (°F) =	100
tank heated (yes, no) =	yes
if tank is heated, enter temp (°F) =	190
vapor recovery system present? (yes, no) =	yes
is this a wash tank? (yes, no) =	no
will flashing losses occur in this tank? (yes, no) =	no
breather vent pressure setting range (psi) (def = 0.06):	0.06

Attachment: 5  
 Permit: PTO 7307  
 Date: 08/09/10  
 Tank: Reject Oil Tank  
 Name: Los Flores Lease  
 Filename:  
 District: Santa Barbara  
 Version: Tank-2b.xls

PRINT

Tank Data	
diameter (feet) =	21.5
capacity (enter barrels in first col, gals will compute) =	1,000 42,000
conical or dome roof? (c, d) =	c
shell height (feet) =	16
roof height (def = 1):	1
ave liq height (feet):	8
color {1:Spec Al, 2:Diff Al, 3:Lite, 4:Med, 5:Rd, 6:Wh} =	4
condition {1: Good, 2: Poor} =	1
upstream pressure (psig) (def = 0 when no flashing occurs):	0

paint color	Paint Factor Matrix	
	paint condition	
	good	poor
spec alum	0.39	0.49
diff alum	0.60	0.68
lite grey	0.54	0.63
med grey	0.68	0.74
red	0.89	0.91
white	0.17	0.34

Molecular Weight Matrix	
liquid	mol wt
gas rvp 13	62
gas rvp 10	66
gas rvp 7	68
crude oil	50
JP -4	80
jet kerosene	130
fuel oil 2	130
fuel oil 6	190

Liquid Data		
	A	B
maximum daily throughput (bopd) =		300
Ann thrupt (gal): (enter value in Column A if not max PTE)		4.599E+06
RVP (psia):		0.73868
*API gravity =		13

Computed Values	
roof outage <sup>1</sup> (feet):	0.3
vapor space volume <sup>2</sup> (cubic feet):	3,013
turnovers <sup>3</sup> :	109.5
turnover factor <sup>4</sup> :	0.44
paint factor <sup>5</sup> :	0.68
surface temperatures (°R, °F)	
average <sup>6</sup> :	650 190
maximum <sup>7</sup> :	651.25 191.25
minimum <sup>8</sup> :	648.75 188.75
product factor <sup>9</sup> :	0.75
diurnal vapor ranges	
temperature <sup>10</sup> (fahrenheit degrees):	5
vapor pressure <sup>11</sup> (psia):	0.178646
molecular weight <sup>12</sup> (lb/lb-mol):	50
TVP <sup>13</sup> (psia) [adjusted for ave liquid surface temp]:	3.95725
vapor density <sup>14</sup> (lb/cubic foot):	0.028367
vapor expansion factor <sup>15</sup> :	0.019
vapor saturation factor <sup>16</sup> :	0.364858
vented vapor volume (scf/bbl):	8
fraction ROG - flashing losses:	0.308
fraction ROG - evaporative losses:	0.885

Adjusted TVP Matrix	
liquid	TVP value
gas rvp 13	25.1
gas rvp 10	11.7
gas rvp 7	11.3
crude oil	3.95725
JP -4	5.2
jet kerosene	0.041
fuel oil 2	0.0451
fuel oil 6	0.00017

RVP Matrix	
liquid	RVP value
gas rvp 13	13
gas rvp 10	10
gas rvp 7	7
crude oil	0.738677
JP -4	2.7
jet kerosene	0.029
fuel oil 2	0.022
fuel oil 6	0.00019

Long-Term  
 VRU\_Eff = 95.00%

Short-Term  
 VRU\_Eff = 95.00%

Emissions	Uncontrolled ROC emissions			Controlled ROC emissions		
	lb/hr	lb/day	ton/year	lb/hr	lb/day	ton/year
breathing loss <sup>17</sup> =	0.02	0.52	0.10	0.00	0.03	0.00
working loss <sup>18</sup> =	0.72	17.34	3.16	0.04	0.87	0.16
flashing loss <sup>19</sup> =	0.00	0.00	0.00	0.00	0.00	0.00
<b>TOTALS =</b>	<b>0.74</b>	<b>17.86</b>	<b>3.26</b>	<b>0.04</b>	<b>0.89</b>	<b>0.16</b>

## FUGITIVE HYDROCARBON CALCULATIONS - CARB/KVB METHOD

Page 1 of 2

ADMINISTRATIVE INFORMATION
Attachment: 6
Company: Greka Oil and Gas, Inc.
Facility: Los Flores Lease
Processed by: jjm
August 9, 2010
Path & File Name:

Version: fhc-kvb5.xls  
Date: 24-Oct-00

\\sbcapcd.org\shares\Groups\ENGR\WFOi&Gas\GSD\04008 Greka Las Flores\R7307-R9\|R7307-LR.xls|Loading Rack

Reference: CARB speciation profiles #s 529, 530, 531, 532

Data	Value	Units
Number of Active Wells at Facility	33	wells
Facility Gas Production		scf/day
Facility Dry Oil Production		bbls/day
Facility Gas to Oil Ratio (if > 500 then default to 501)	501	scf/bbl
API Gravity	13	degrees API
Facility Model Number	5	dimensionless
No. of Steam Drive Wells with Control Vents	0	wells
No. of Steam Drive Wells with Uncontrol Vents	0	wells
No. of Cyclic Steam Drive Wells with Control Vents	0	wells
No. of Cyclic Steam Drive Wells with Uncontrol Vents	0	wells
Composite Valve and Fitting Emission Factor	2.8053	lb/day-well

Lease Model	Valve	Fitting	Composite	
	ROG Emission Factor Without Ethane	ROG Emission Factor Without Ethane	ROG Emission Factor Without Ethane	
1	1.4921	0.9947	2.4868	lbs/day-well
2	0.6999	0.6092	1.3091	lbs/day-well
3	0.0217	0.0673	0.0890	lbs/day-well
4	4.5090	2.1319	6.6409	lbs/day-well
5	0.8628	1.9424	2.8053	lbs/day-well
6	1.7079	2.5006	4.2085	lbs/day-well

- Model #1: Number of wells on lease is less than 10 and the GOR is less than 500.  
 Model #2: Number of wells on lease is between 10 and 50 and the GOR is less than 500.  
 Model #3: Number of wells on lease is greater than 50 and the GOR is less than 500.  
 Model #4: Number of wells on lease is less than 10 and the GOR is greater than 500.  
 Model #5: Number of wells on lease is between 10 and 50 and the GOR is greater than 500.  
 Model #6: Number of wells on lease is greater than 50 and the GOR is greater than 500.

### ROC Emission Calculation Summary Results Table Reactive Organic Compounds<sup>(c)</sup>

	lbs/hr	lbs/day	tons/year
Valves and Fittings <sup>(a)</sup>	0.77	18.51	3.38
Sumps, Wastewater Tanks and Well Cellars <sup>(b)</sup>	6.37	152.81	27.89
Oil/Water Separators <sup>(b)</sup>	0.49	0.00	2.15
Pumps/Compressors/Well Heads <sup>(a)</sup>	0.02	0.54	0.10
Enhanced Oil Recovery Fields	0.00	0.00	0.00
<b>Total Facility FHC Emissions (ROC)</b>	<b>7.65</b>	<b>171.86</b>	<b>33.51</b>

- a: Emissions amount reflect an 80% reduction due to Rule 331 implementation.  
 b: Emissions reflect control efficiencies where applicable.  
 c: Due to rounding, the totals may not appear correct

**Pumps, Compressors, and Well Heads Uncontrolled Emission Calculations**

Number of Wells	33	wells
Wellhead emissions	0.3201	ROC (lb/well-day)
FHC from Pumps	0.1287	ROC (lb/well-day)
FHC from Compressors	2.2407	ROC (lb/well-day)
Total:	2.6895	ROC (lb/well-day)

**Sumps, Uncovered Wastewater Tanks, and Well Cellars**

Efficiency Factor: (70% for well cellars, 0% for uncovered WW tanks, sumps and pits)  
Unit Type/Emissions Factor

	Heavy Oil Service	Light Oil Service	
Primary	0.0941	0.138	(lb ROC/ft <sup>2</sup> -day)
Secondary	0.0126	0.018	(lb ROC/ft <sup>2</sup> -day)
Tertiary	0.0058	0.0087	(lb ROC/ft <sup>2</sup> -day)

**Surface Area and Type (emissions in lbs/day)**

Description/Name	Number	Area (ft <sup>2</sup> )	Primary	Secondary	Tertiary
Well Cellars <sup>(a)</sup>	33	933	26.34		
Sump	1	88		1.11	
Emergency Pit	1	4,000		50.40	
Emergency Pit	1	4,000		50.40	
Emergency Pit	1	1,800		22.68	
Emergency Pit	1	99			0.57

(a) A 70% reduction is applied for implementation of Rule 344 (Sumps, Pits, and Well Cellars).

26.34      124.59      0.57

**Covered Wastewater Tanks**

Efficiency Factor: 85%

**Surface Area and Type (emissions in lbs/day)**

Description/Name	Number	Area (ft <sup>2</sup> )	Primary	Secondary	Tertiary
Baker Tank	1	280.00	0.00	0.53	
Wastewater Tank	1	692.79			0.60

0.00      0.53      0.60

**Covered Wastewater Tanks Equipped with Vapor Recovery**

Efficiency Factor: 95%

**Surface Area and Type (emissions in lbs/day)**

Description/Name	Number	Area (ft <sup>2</sup> )	Primary	Secondary	Tertiary
Baker Tank	1	280	0.00	0.18	

0.00      0.18      0.00

**Oil/Water Separators**

Efficiency Factor: varies (85% for cover, 95% for VRS, 0% for open top)  
Emissions Factor: 560 (lb ROC/MM Gal)

**Type (emissions in lbs/day)**

Description/Name	TP-MM Gal	Equipped with Cover	Equipped with VRS	Open Top	Total lb/day
Wemco	0.42	0.0	11.8	0.0	
		0.0	11.8	0.0	11.8

Attachment: 7  
 Company: Greka Oil and Gas, Inc.  
 Facility: Las Flores

Reference: Loading Rack  
 Rack Type: Enter X as Appropriate

Submerged loading of a clean cargo tank	_____	S Factor	0.50
Submerged loading: Dedicated normal service	<u>  X  </u>		0.60
Submerged loading: Dedicated vapor balance service	_____		1.00
Splash loading of a clean cargo tank	_____		1.45
Splash loading: Dedicated normal service	_____		1.45
Splash loading: Dedicated vapor balance service	_____		1.00

Input data		Reference
S = Saturation Factor	<u>0.60</u>	See AP-42 Table 4.4-1 2
M = Molecular Weight	<u>50</u>	Crude Oil: Default = 50 lb/lb-mole 3
P = True Vapor Pressure (psia)	<u>2.648</u>	See AP-42 Table 12.3-5 1
T = Liquid Temperature °R	<u>640</u>	$180\text{ }^{\circ}\text{F} + 460 = \text{ }^{\circ}\text{R}$ 5
R = Loading Rate (bbl/hr)	<u>150.00</u>	<u>6,300</u> gallons (42 gallons = 1 bbl) 1
C = Storage Capacity (bbl)	<u>1,000</u>	<u>42,000</u> gallons (42 gallons = 1 bbl) 1
A = Annual Production (bbl)	<u>109,500</u>	<u>4,599,000</u> gallons (42 gallons = 1 bbl) 1
eff = Vapor Recovery Efficiency	<u>0.95</u>	Default = 0.95 1
ROC/THC = Reactivity	<u>0.885</u>	Crude Oil: Default = 0.885

HLPD = hours loading per day = (C/R) if < 24 =	<u>6.67</u>	hours/day
HLPY = hours loading per year = (A/R) =	<u>730.00</u>	hours/year
L <sub>L</sub> = Loading loss (lb/1000 gal) = 12.46 (S)(P)(M)/T =	<u>1.5466</u>	lb/1000 gal

**Total Uncontrolled Hydrocarbon Losses:**

**Hourly**

THL<sub>H</sub> = (THL<sub>A</sub>/HLPY) = 8.62 lbs/hr

**Daily**

THL<sub>D</sub> = (THL<sub>H</sub>)(HLPD) = 57.49 lbs/day

**Annual**

THL<sub>A</sub> = (L<sub>L</sub>)(A)(42 gal/bbl)( 1 ton/2,000 lbs)(ROC/THC) = 3.15 TPY

**Total Controlled Hydrocarbon Losses:**

**Hourly**

THL<sub>H</sub> = (THL<sub>A</sub>/HLPY)(1-eff) = 0.43 lbs/hr

**Daily**

THL<sub>D</sub> = (THL<sub>H</sub>)(HLPD)(1-eff) = 2.87 lbs/day

**Annual**

THL<sub>A</sub> = (L<sub>L</sub>)(A)(42 gal/bbl)( 1 ton/2,000 lbs)(1-eff)(ROC/THC) = tons/year = 0.16 TPY

Processed by: JJM

Date: 08/9/2101

Notes:

1. Data provided by the applicant
2. AP-42, (Chapter 5, 5th Edition), Table 5.2-1
3. If not otherwise provided, crude oil is assumed to be 50 lb/lb-mole.
4. If not otherwise provided, vapor pressure is calculated from CARB AB-2588 Guidelines, page 103, eq. 25
5. R is calculated by adding 460 to °F.

# ATTACHMENT "B"

## IDS Tables

**Table 1. Permitted Potential to Emit (PPTE)**

	<b>NO<sub>x</sub></b>	<b>ROC</b>	<b>CO</b>	<b>SO<sub>x</sub></b>	<b>TSP</b>	<b>PM<sub>10</sub></b>
<b>Los Flores Lease</b>						
lb/day	17.64	177.28	14.84	25.22	1.36	1.36
tons/year	3.22	34.14	2.70	4.60	0.24	0.24

**Table 2. Facility Potential to Emit (FPTE)**

	<b>NO<sub>x</sub></b>	<b>ROC</b>	<b>CO</b>	<b>SO<sub>x</sub></b>	<b>TSP</b>	<b>PM<sub>10</sub></b>
<b>Los Flores Lease</b>						
lb/day	17.64	177.28	14.84	25.22	1.36	1.36
tons/year	3.22	34.14	2.70	4.60	0.24	0.24

**Table 3. Facility Net Emission Increase Since 1990 (FNEI-90)**

	<b>NO<sub>x</sub></b>	<b>ROC</b>	<b>CO</b>	<b>SO<sub>x</sub></b>	<b>TSP</b>	<b>PM<sub>10</sub></b>
<b>Los Flores Lease</b>						
lb/day	0.00	1.63	0.00	0.00	0.00	0.00
tons/year	0.00	0.20	0.00	0.00	0.00	0.00

**Table 4. Exempt Emissions**

	<b>NO<sub>x</sub></b>	<b>ROC</b>	<b>CO</b>	<b>SO<sub>x</sub></b>	<b>TSP</b>	<b>PM<sub>10</sub></b>
<b>Los Flores Lease</b>						
lb/day	0.00	0.00	0.00	0.00	0.00	0.00
tons/year	0.00	0.00	0.00	0.00	0.00	0.00

# ATTACHMENT "C"

## Well List

052

Attachment C. Well List

Operator Name	Field Name	Lease	Well#	API	Well Stat	Pool	WellType	PWT Stat	S	I	R	BM	Area	NEI
Greka Oil & Gas, Inc.	Cat Canyon	Los Flores	86-21	<u>08300339</u>	Active	00	OG	Active	21	9N	33W	SB	21	No
Greka Oil & Gas, Inc.	Cat Canyon	Los Flores	65-21	<u>08301021</u>	Active	00	OG	Active	21	9N	33W	SB	21	No
Greka Oil & Gas, Inc.	Cat Canyon	Los Flores	55-21	<u>08301108</u>	Idle	00	OG	Idle	21	9N	33W	SB	21	No
Greka Oil & Gas, Inc.	Cat Canyon	Los Flores	66-21	<u>08301109</u>	Idle	00	OG	Idle	21	9N	33W	SB	21	No
Greka Oil & Gas, Inc.	Cat Canyon	Los Flores	15-22	<u>08301155</u>	Idle	00	OG	Idle	22	9N	33W	SB	21	No
Greka Oil & Gas, Inc.	Cat Canyon	Los Flores	45-22	<u>08301156</u>	Idle	00	OG	Idle	22	9N	33W	SB	21	No
Greka Oil & Gas, Inc.	Cat Canyon	Los Flores	2-21	<u>08301241</u>	Idle	00	OG	Idle	21	9N	33W	SB	21	No
Greka Oil & Gas, Inc.	Cat Canyon	Los Flores	4-21	<u>08301243</u>	Idle	00	OG	Idle	21	9N	33W	SB	21	No
Greka Oil & Gas, Inc.	Cat Canyon	Los Flores	16-22	<u>08301244</u>	Active	00	OG	Active	22	9N	33W	SB	21	No
Greka Oil & Gas, Inc.	Cat Canyon	Los Flores	25-22	<u>08301245</u>	Idle	00	OG	Idle	22	9N	33W	SB	21	No
Greka Oil & Gas, Inc.	Cat Canyon	Los Flores	26-22	<u>08301246</u>	Idle	00	OG	Idle	22	9N	33W	SB	21	No
Greka Oil & Gas, Inc.	Cat Canyon	Los Flores	35-22	<u>08301247</u>	Active	00	OG	Active	22	9N	33W	SB	21	No
Greka Oil & Gas, Inc.	Cat Canyon	Los Flores	36-22	<u>08301248</u>	Idle	00	OG	Idle	22	9N	33W	SB	21	No
Greka Oil & Gas, Inc.	Cat Canyon	Los Flores	46-22	<u>08301249</u>	Idle	00	OG	Idle	22	9N	33W	SB	21	No
Greka Oil & Gas, Inc.	Cat Canyon	Los Flores	75-21	<u>08301250</u>	Active	00	OG	Active	21	9N	33W	SB	21	No

Greka Oil & Gas, Inc.	Cat Canyon	Los Flores	76-21	<u>08301251</u>	Active	00	OG	Active	21	9N	33W	SB	21	No
Greka Oil & Gas, Inc.	Cat Canyon	Los Flores	77-21	<u>08301252</u>	Active	00	OG	Active	21	9N	33W	SB	21	No
Greka Oil & Gas, Inc.	Cat Canyon	Los Flores	78-21	<u>08301253</u>	Idle	00	OG	Idle	21	9N	33W	SB	21	No
Greka Oil & Gas, Inc.	Cat Canyon	Los Flores	85-21	<u>08301254</u>	Idle	00	OG	Idle	21	9N	33W	SB	21	No
Greka Oil & Gas, Inc.	Cat Canyon	Los Flores	87-21	<u>08301255</u>	Idle	00	OG	Idle	21	9N	33W	SB	21	No
Greka Oil & Gas, Inc.	Cat Canyon	Los Flores	88-21	<u>08301256</u>	Active	00	OG	Active	21	9N	33W	SB	21	No
Greka Oil & Gas, Inc.	Cat Canyon	Los Flores	101-21	<u>08301257</u>	Active	00	OG	Active	21	9N	33W	SB	21	No
Greka Oil & Gas, Inc.	Cat Canyon	Los Flores	102-21	<u>08301258</u>	Idle	00	OG	Idle	21	9N	33W	SB	21	No
Greka Oil & Gas, Inc.	Cat Canyon	Los Flores	103-21	<u>08301259</u>	Idle	00	OG	Idle	21	9N	33W	SB	21	No
Greka Oil & Gas, Inc.	Cat Canyon	Los Flores	104-21	<u>08301260</u>	Idle	00	OG	Idle	21	9N	33W	SB	21	No
Greka Oil & Gas, Inc.	Cat Canyon	Los Flores	105-21	<u>08301261</u>	Idle	00	OG	Idle	21	9N	33W	SB	21	No
Greka Oil & Gas, Inc.	Cat Canyon	Los Flores	107-21	<u>08301263</u>	Idle	00	OG	Idle	21	9N	33W	SB	21	No
Greka Oil & Gas, Inc.	Cat Canyon	Los Flores	108-21	<u>08301264</u>	Idle	00	OG	Idle	21	9N	33W	SB	21	No
Greka Oil & Gas, Inc.	Cat Canyon	Los Flores	110-21	<u>08301266</u>	Idle	00	OG	Idle	21	9N	33W	SB	21	No
Greka Oil & Gas, Inc.	Cat Canyon	Los Flores	111-21	<u>08301267</u>	Idle	00	OG	Idle	21	9N	33W	SB	21	No
Greka Oil & Gas, Inc.	Cat Canyon	Los Flores	112-21	<u>08301268</u>	Idle	00	OG	Idle	21	9N	33W	SB	21	No
Greka Oil & Gas, Inc.	Cat Canyon	Los Flores	114-21	<u>08301269</u>	Idle	00	OG	Idle	21	9N	33W	SB	21	No
Greka Oil & Gas, Inc.	Cat Canyon	Los Flores	13-22	<u>08321744</u>	Idle	00	OG	Idle	22	9N	33W	SB	21	No

# ATTACHMENT "D"

## Fee Calculation Documentation

**FEE STATEMENT**

**PTO No. 07307 - R10**

**FID: 04008 Greka - Los Flores Lease / SSID: 08678**



**Santa Barbara County  
Air Pollution Control District**

**Device Fee**

Device No.	Device Name	Fee Schedule	Qty of Fee Units	Fee per Unit	Fee Units	Max or Min. Fee Apply?	Number of Same Devices	Pro Rate Factor	Device Fee	Penalty Fee?	Fee Credit	Total Fee per Device
003679	Oil and Gas Wellheads	A1.a	1.000	64.56	Per equipment	No	33	1.000	2,130.48	0.00	0.00	2,130.48
003678	Valves & Fittings	A1.a	1.000	64.56	Per equipment	No	1	1.000	64.56	0.00	0.00	64.56
008529	Wastewater Pit	A6	5.900	3.70	Per 1000 gallons	Min	1	1.000	64.14	0.00	0.00	64.14
112049	500 bbl Baker Tank	A6	21.000	3.70	Per 1000 gallons	No	1	1.000	77.70	0.00	0.00	77.70
112050	Valves and Fittings	A1.a	1.000	64.56	Per equipment	No	1	1.000	64.56	0.00	0.00	64.56
003648	Crude Oil Storage/Shipping Tank	A6	10.500	3.70	Per 1000 gallons	Min	1	1.000	64.14	0.00	0.00	64.14
112060	500 bbl Baker Tank	A6	21.000	3.70	Per 1000 gallons	No	1	1.000	77.70	0.00	0.00	77.70
003651	Crude Oil Storage/Reject Tank	A6	42.000	3.70	Per 1000 gallons	No	1	1.000	155.40	0.00	0.00	155.40
003653	Wastewater Tank	A6	84.000	3.70	Per 1000 gallons	No	1	1.000	310.80	0.00	0.00	310.80
003649	Slurry Tank	A6	12.600	3.70	Per 1000 gallons	Min	1	1.000	64.14	0.00	0.00	64.14
006663	Drain Tank	A6	0.840	3.70	Per 1000 gallons	Min	1	1.000	64.14	0.00	0.00	64.14
006665	Transfer Pumps	A2	38.000	33.47	Per total rated hp	No	1	1.000	1,271.86	0.00	0.00	1,271.86
006666	LACT Unit	A2	50.000	33.47	Per total rated hp	No	1	1.000	1,673.50	0.00	0.00	1,673.50
008526	Emergency Pit	A6	299.250	3.70	Per 1000 gallons	No	1	1.000	1,107.23	0.00	0.00	1,107.23
008527	Emergency Pit	A6	299.250	3.70	Per 1000 gallons	No	1	1.000	1,107.23	0.00	0.00	1,107.23
008528	Emergency Pit	A6	201.600	3.70	Per 1000 gallons	No	1	1.000	745.92	0.00	0.00	745.92
006667	Two-Phase Separators	A1.a	1.000	64.56	Per equipment	No	4	1.000	258.24	0.00	0.00	258.24
003657	Heater Treater	A3	3.750	484.30	Btu input	No	1	1.000	1,816.13	0.00	0.00	1,816.13
003652	Boiler/Tank Heater	A3	3.750	484.30	Btu input	No	1	1.000	1,816.13	0.00	0.00	1,816.13
003654	Wemco Depurator Unit With VRS	A2	20.000	33.47	Per total rated hp	No	1	1.000	669.40	0.00	0.00	669.40
006891	Crude Oil Loading Rack	A1.a	1.000	64.56	Per equipment	No	1	1.000	64.56	0.00	0.00	64.56
104930	Sump	A1.a	1.000	64.56	Per equipment	No	1	1.000	64.56	0.00	0.00	64.56

008525	Shipping Pump for Loading Rack	A2	5.000	33.47	Per total rated hp	No	1	1.000	167.35	0.00	0.00	167.35
006668	Vapor Recovery System	A2	15.000	33.47	Per total rated hp	No	1	1.000	502.05	0.00	0.00	502.05
Device Fee Sub-Totals =									<b>\$14,401.90</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$14,401.90</b>
Device Fee Total =												

**Permit Fee**

Fee Based on Devices

14,401.90

**Fee Statement Grand Total = \$14,401**

**Notes:**

- (1) Fee Schedule Items are listed in District Rule 210, Fee Schedule "A".
- (2) The term "Units" refers to the unit of measure defined in the Fee Schedule.



**Santa Barbara County  
Air Pollution Control District**

AUG 12 2013

Certified Mail 7011 3500 0002 7299 2448  
Return Receipt Requested

Susan Whalen  
Greka Oil & Gas  
PO Box 5489  
Santa Maria, CA 93456

FID: 04008  
Permit: P 07307 - R10  
SSID: 08678

Re: Permit to Operate 07307 - R10  
Fee Due: \$ 14,401

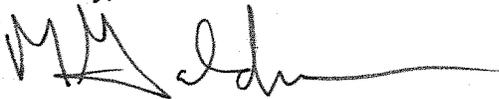
Dear Ms. Whalen:

Pursuant to Air Pollution Control District Rule 201, your permit to operate is reevaluated every three years. The Control Officer has completed that review and determined that the permit conditions of your existing Permit to Operate are adequate and therefore do not need to be updated. Please find the enclosed *Permit Reevaluation* which documents the triennial reevaluation of your Permit to Operate and requires you to:

- Pay a fee of \$ 14,401, which is due immediately and is late after 30 calendar days from the date stamped on the invoice. See the attached invoice and fee statement for more information.
- Keep a copy of the attached *Permit Reevaluation* document with your existing permit. Please be ready to make both documents readily available to a District Inspector upon request.
- Follow the conditions listed on your existing permit and the attached permit reevaluation. Pay careful attention to the recordkeeping and reporting requirements.

Please include the Facility Identification (FID) and the Permit number as shown above on all correspondence regarding this permit. If you have any questions, please contact Paula Iorio of my staff at (805) 961-8867.

Sincerely,



Michael F. Goldman, Manager  
Engineering Division

enc: Reeval 07307 - R10  
Fee Statement  
Invoice

cc: Reeval 07307 - R10 Project File, FID 04008  
ECD Chron File  
Paula Iorio (Cover letter only)  
Accounting (Invoice only)



**Santa Barbara County  
Air Pollution Control District**

260 N San Antonio Rd, Suite A  
Santa Barbara, CA 93110-1315

Invoice: R 07307 - R10  
Date: **AUG 12 2013**  
Terms: Net 30 Days

300000/6600/3282

## INVOICE

BILL TO:	FACILITY:
Susan Whalen Greka Oil & Gas (101541) PO Box 5489 Santa Maria, CA 93456	Greka - Los Flores Lease 04008

Permit: Permit to Operate (PTO) No. 07307 - R10

Fee Type: Permit Reevaluation Fee (see the Fee Statement in your permit for a breakdown of the fees)

**Amount Due: \$ 14,401**

### REMIT PAYMENTS TO THE ABOVE ADDRESS

Please indicate the invoice number R 07307 - R10  
on your remittance.

IF YOU HAVE ANY QUESTIONS REGARDING YOUR INVOICE PLEASE CONTACT  
OUR ADMINISTRATION DIVISION AT (805) 961-8800

The District charges \$25 for returned checks. Other penalties/fees may  
be incurred as a result of returned checks and late payment (see District Rule 210). Failure to pay this Invoice may result in the  
cancellation or suspension of your permit. Please notify the District regarding any changes to the above information

Section 3  
Rule Violated

## Section 3.a

### **RULE 344. PETROLEUM SUMPS, PITS AND WELL CELLARS. (Adopted 11/10/1994)**

#### **A. Applicability**

This rule applies to sumps, pits and well cellars at facilities where petroleum is produced, gathered, separated, processed or stored.

#### **B. Exemptions**

1. The provisions of this rule shall not apply to spill containments.
2. The provisions of this rule shall not apply post tertiary sumps and post tertiary pits.
3. Sections D, E, F and G.1 of this Rule shall not apply to:
  - a. Post-primary sumps or pits meeting any of the following criteria:
    - 1) monthly ROC loss across the sump of less than 75 pounds.
    - 2) producer oil shipment from all operations within Santa Barbara County of less than 150 barrels of oil per day averaged over the year preceding the year for which the exemption is claimed, or
    - 3) shut in sumps or pits that are empty with all inlets plugged, capped, or blind flanged.
  - b. Pits used less than 30 days per year. Pits are in use when either receiving or storing petroleum product.
4. Post primary sumps or pits with surface area less than 1000 square feet.
5. Sections F and G.1 of this Rule shall not apply to components which are subject to Rule 331 as components is defined in Rule 331.
6. Sections D.3 and D.4 of this rule shall not apply to wells that have been idle for more than six months immediately prior to inspection as indicated by production records.

#### **C. Definitions**

See Rule 102 for definitions not restricted to interpretation of this Rule.

**"Capture efficiency"** means the weight per unit time of ROC entering a capture system and delivered to a control device divided by the weight per unit time of total ROC generated by the source of ROC expressed as a percentage.

**"Control"** means the reduction, by destruction or removal, of the amount of ROCs in a gas stream prior to discharge to the atmosphere.

**"Control efficiency"** means the percentage of ROCs entering control equipment that is not present in the exhaust of that control equipment to the atmosphere.

**"Defect"** means a condition, including but not limited to a tear, hole or lack of required vapor-tightness, that creates a substantial chance of reducing the effectiveness of the control device.

"**Facility**" means a structure, building, oil lease, or operation, that has one or more permitted pieces of equipment.

"**Fixed Roof Cover**" means any cover that is not in contact with a liquid surface, but is placed over and completely encloses the liquid surface.

"**Floating Cover**" means any cover that floats on a liquid surface and prevents evaporation of the liquid under the cover into the atmosphere.

"**Overall efficiency**" means the emission reduction, expressed as a percentage, that results from the combined effect of capture and control of ROCs that would be emitted to the atmosphere from a container in the same product service without capture and control of emissions.

"**Pit**" means a basin the purpose of which is collection of emergency or intermittent streams of liquid under normal operations.

"**Primary Sump**" means any sump that receives a stream of crude oil and produced water directly from one or more oil production wells or field gathering systems.

"**Post-primary Sump**" means a sump that receives a stream from one or more previous separation processes.

"**Post-Tertiary Sump**" means a sump that receives a liquid stream that has undergone three or more previous separation processes.

"**Sump**" means a lined or unlined surface impoundment or depression in the ground that, during normal operations, is used for separating oil, water, and solids in oil production operations.

"**Vapor tight**" means that a seal or closure prevents the emission of volatile organic compounds which would cause an appropriate analyzer to register more than 10,000 parts per million by volume expressed as methane.

"**Well cellar**" means a lined or unlined containment into which one or more wellheads are installed. For the purposes of this rule, well cellars are not sumps or pits.

#### **D. Requirements - Emission Reduction**

1. Primary sumps shall not be installed or used.
2. Pits and post-primary sumps shall be
  - a. replaced by a tank that complies with Rule 325, or
  - b. provided with any of the following:
    - 1) a flexible floating cover or a rigid floating cover equipped with seals.
    - 2) a fixed roof cover equipped with a pressure vacuum relief valve and a closed vent system that collects and delivers vapors to a vapor recovery system, gas gathering system or an air pollution control device with a control efficiency of 95 percent by weight or greater.

- 3) other equipment having overall efficiency of at least 80 percent by weight. Costs incurred by the APCD for the review, testing and approval of an alternate control device may be recovered pursuant to the cost reimbursement provisions of Rule 210.

3. Well cellars

- a. A person shall not open any valve at the wellhead without using a portable container to catch and contain any organic liquid that would otherwise drop on the ground or into the well cellar. Such container shall be kept closed when not in use.
- b. Immediately before a well is steamed or after a well head is steam cleaned, the well cellar in which it is located shall be pumped out.
- c. Neither of the following conditions shall occur unless the owner or operator discovered the condition and the well cellar is pumped within 7 days of discovery:
  - 1) liquid depth exceeding 50 percent of the depth of the well cellar.
  - 2) oil/petroleum depth exceeding 2 inches.

If a well cellar cannot be accessed by a vacuum truck due to muddy conditions, the well cellar shall be pumped as soon as it becomes accessible.

4. Well heads not in well cellars are subject to Section D.3.a.

**E. Requirements - Covers**

1. The cover material shall be impermeable to ROCs. Metal cover materials are impermeable for the purposes of this requirement.
2. The cover material shall be free from holes, tears, and openings.
3. Gauging and sampling devices on the cover shall be kept closed and vapor-tight except when such devices are being used, inspected or repaired. Use, inspection and repair, within the meaning of this requirement, must be attended by the person engaged in the use, inspection or repair.
4. Cover drains which open directly into the liquid contents of any sump or pit shall employ a slotted membrane fabric cover, or its equivalent, over at least 90 percent of the open area.
5. The perimeter of all fixed covers shall form a vapor-tight seal with the foundation to which it is attached.
6. All rigid floating covers shall be installed and maintained such that the gap between the sump or pit wall and the seal does not exceed 1 inch. Gap dimensions are perpendicular to the wall of the sump or pit.
7. All pressure vacuum relief valves shall be set to within 10 percent of the maximum design working pressure of the cover.
8. A flexible floating cover shall completely cover the sump.

**F. Requirements - Operator Inspection and Maintenance**

1. The operator of any air pollution reduction control devices required in this rule shall inspect them for defects every other calendar quarter.
2. Defects detected through either operator inspection or District inspection shall be repaired or rectified within seven calendar days of detection. The operator shall reinspect and confirm compliance of the repaired or replaced component within 15 calendar days after the repair or replacement.

**G. Requirements - Recordkeeping**

1. The following information relating to inspection of sumps and pits shall be recorded for each inspection:
  - a. the inspection date,
  - b. the nature of the inspection or test, with standardized methods specified,
  - c. the name of the person and company performing the test or inspection,
  - d. the findings, and
  - e. for each defect,
    - 1) the type of defect and equipment which it affects,
    - 2) the corrective action(s) taken,
    - 3) the date and method by which compliance was confirmed, and
    - 4) if a lack of vapor-tightness was detected, the concentration of total gaseous hydrocarbons on which the lack of vapor-tightness is based and the background concentration of total gaseous hydrocarbons.
2. The following information relating to detection of conditions requiring pumping of a well cellar as required in Section D.3.c shall be recorded for each detection:
  - a. the date of the detection,
  - b. the name of the person and company performing the test or inspection, and
  - c. the date and time the well cellar is pumped.
3. An owner or operator claiming exemption B.3.a.1) shall perform a test at least once per year on a date selected by the district. Copies of the lab results showing ROC concentrations of the liquid entering and the liquid exiting the sump, the volume of liquid entering the sump during the month the samples were taken, and the resulting ROC loss, shall be submitted to the district for approval.
4. Owners or operators claiming an exemption per Section B.3.a.2) shall maintain records of the volume of oil produced each month and the number of days that oil was produced.

5. Owners or operators claiming an exemption per Section B.3.b. shall maintain records which show each day the pit was used during each calendar year. These records shall be updated daily during periods of sump use.
6. Owners or operators claiming an exemption per Section B.6 shall make production records available for each well for which the exemption is claimed.
7. All records required by this Rule shall be maintained at the facility for a period of three years after the end of each calendar year and made available to the District upon request.

**H. Requirements - Sampling and Calculations**

1. Sampling related to the exemption provided in Section B.3.a.1) shall be done annually on a date chosen by the District. Samples shall be taken according to ASTM 4057 88. In the event sampling and subsequent testing shows a facility no longer qualifies for this exemption, facilities that have successfully demonstrated exempt status for the previous three years may have one retest on a date chosen by the District.
2. Overall efficiency shall be calculated by multiplying the capture efficiency by the control efficiency and expressing the result as a percentage.
3. Control efficiency as required by Sections D.2.b.2) or D.2.b.3) shall be calculated by dividing the difference between control device inlet and exhaust quantities of total gaseous hydrocarbons, excluding methane, by said inlet quantity. However, if the control device is a thermal oxidizer, the control efficiency may be calculated according to 40 CFR 60.113b.c.1.i.
4. Calculations of monthly ROC emissions for the purpose of determining a Section B.3.a.1) exemption shall be performed as follows:

$$\text{Monthly ROC} = V (\text{ROC}_{\text{inlet}} - \text{ROC}_{\text{outlet}})$$

where: V is the Volume of wastewater through the sump during the month that wastewater was sampled for ROC content

ROC<sub>inlet</sub> is the concentration of ROC in liquid to enter the sump or pit  
 ROC<sub>outlet</sub> is the concentration of ROC in liquid leaving the sump or pit

5. Any margin of error associated with a test method or protocol shall not be incorporated into the results of any test.

**I. Requirements - Test Methods**

1. Capture efficiency as required to determine overall control efficiency shall be determined using method specified in 55 Federal Register 26865, June 29, 1990.
2. For the purpose of determining applicability of Section B.3.a.1), concentration of ROC in liquid shall be determined using purge and trap (EPA Method 5030) and extraction (EPA Method 3510) with gas chromatograph mass spectroscopy. Stock standards shall be prepared using crude oil or other fluids as appropriate.
3. To determine cover material adequacy, impermeability to ROCs shall be determined using ASTM F119-82. Manufacturer's written certification of impermeability, where based on these methods, is sufficient.

4. For the purpose of determining control efficiency as required in section D.2.b.3), total gaseous hydrocarbon concentration shall be determined using US EPA Test Method 25A and vapor flow through pipes shall be determined using US EPA Test Method 2A, 2B, 2C, or 2D, as appropriate.
5. Vapor-tightness shall be determined using US EPA Test Method 21. The analyzer shall be calibrated with methane. If the alternative screening procedure referenced in Method 21 is used and bubbles are observed, the instrument technique specified in Method 21 shall be used within the same working day to determine vapor-tightness.
6. An alternate test method that is comparable in accuracy to the cited method may be used in place of the above specified methods. The alternate method must be approved by the Control Officer, CARB and USEPA.

**J. Compliance Schedule**

1. Owners and operators with well cellars and well heads subject to this rule shall operate them in full compliance with this rule by April 30, 1996.
2. Sumps and pits with surface areas greater than or equal to 2000 square feet are subject to the following compliance schedule:
  - a. an application for an Authority to Construct emission reduction equipment for an existing sump or pit shall be submitted not later than October 30, 1995.
  - b. any person requesting an exemption per Section B.3.a.1), B.3.a.2), or B.3.b shall submit documentation to the District that demonstrates their exempt status no later than October 30, 1995. This documentation shall be provided in a format provided by the District. Exemption requests submitted in any other format will be subject to the cost reimbursement provisions of Rule 210.
  - c. shall be in full compliance no later than April 30, 1996.
3. Sumps and pits with surface areas less than 2000 square feet are subject to the following compliance schedule:
  - a. an application for an Authority to Construct emission reduction equipment for an existing sump or pit shall be submitted not later than October 30, 1997.
  - b. any person requesting an exemption per Section B.3.a.1), B.3.a.2), or B.3.b shall submit documentation to the District that demonstrates status no later than October 30, 1997. This documentation shall be provided in a format provided by the District. Exemption requests submitted in any other format will be subject to the cost reimbursement provisions of Rule 210.
  - c. shall be in full compliance no later than April 30, 1998.
4. The owner or operator of any facility that claims exemptions B.3.a.1), B.3.a.2), or B.3.b shall submit an application for an Authority to Construct within 90 days after the expiration of the exemption and be in full compliance within 12 months of same.

# Section 4

## Chronology of Events

## Chronology of Events

06/10/2015 – During a routine inspection, District inspector Swain found the two emergency pits with District device ID’s of 008526 and 008527 storing petroleum product. This was documented in Inspection Report #46286 (see Section 5.a).

06/17/2015 - District inspector Swain sent Greka employee Joe Diaz an e-mail reminding Greka that these pits are for emergency use only, and as such, can only be used 30 days out of any calendar year (see Section 5.b).

02/25/2016 - During a routine inspection of other Greka facilities, inspector Swain and members of Greka staff stopped at the Los Flores lease and photo-documented the pits storing petroleum product (see Section 5.c).

03/03/2016 - During a routine inspection of other Greka facilities, inspector Swain and members of Greka staff stopped at the Los Flores lease and photo-documented the pits storing petroleum product (see Section 5.d).

03/16/2016 - During a routine inspection of other Greka facilities, inspector Swain and members of Greka staff stopped at the Los Flores lease and photo-documented the pits storing petroleum product (see Section 5.e).

03/25/2016 - During a routine inspection of other Greka facilities, inspector Swain and members of Greka staff stopped at the Los Flores lease and photo-documented the pits storing petroleum product (see Section 5.f).

04/06/2016 – During a routine inspection, District inspector Swain found the emergency pits storing petroleum product. This was documented in Inspection Report #47229 (see Section 5.g).

04/11/2016 – The District issued Notice of Violation (NOV) #10944 to Greka to document a violation of District Rule 344 B.3.b. for applying exemptions to two emergency wastewater pits that no longer meet the exemption criteria (see Section 5.h).

04/15/2016 - Greka responded to NOV #10944 stating that “Greka started clearing the pits prior to the inspection on 04/06/2016 and will continue to do so.” (see Section 5.i)

04/19/2016 - During a routine inspection of other Greka facilities, inspector Swain and members of Greka staff stopped at the Los Flores lease and photo-documented the pits storing petroleum product (see Section 5.j).

05/10/2016 - During a routine inspection of other Greka facilities, inspector Swain and members of Greka staff stopped at the Los Flores lease and photo-documented the pits storing petroleum product (see Section 5.k).

05/18/2016 - During a routine inspection of other Greka facilities, inspector Swain and members of Greka staff stopped at the Los Flores lease and photo-documented the pits storing petroleum product (see Section 5.l).

05/26/2016 - During a routine inspection of other Greka facilities, inspector Swain and members of Greka staff stopped at the Los Flores lease and photo-documented the pits storing petroleum product (see Section 5.m).

07/14/2016 - During a routine inspection of other Greka facilities, inspector Swain and members of Greka staff stopped at the Los Flores lease and photo-documented the pits storing petroleum product (see Section 5.n).

10/19/2016 – During a routine inspection, District inspector Swain found the emergency pits storing petroleum product. This was documented in Inspection Report #47793 (see Section 5.o).

10/28/2016 – The District mailed a Mutual Settlement offer via certified mail to Greka requesting a response by 11/18/2016 (see Section 5.p).

12/14/2016 - Inspector Swain and members of Greka staff stopped at the Los Flores lease and photo-documented the pits storing petroleum product (see Section 5.q).

02/23/2017 - Compliance Manager McNally e-mailed Jeanette Boyer an Abatement Order Warning Letter regarding NOV #10944 (see Section 5.r).

03/17/2017 - Inspector McKay met Greka staff at the Los Flores pits to determine if the pits were empty to the satisfaction of the District. The compliance deadline for the abatement order was 03/17/2017. The pits still contained petroleum product and were not empty to the satisfaction of the District. This was documented in Inspection Report #48046 (see Section 5.s).

03/20/2017 - Inspectors McKay and Swain visited the Los Flores pits unaccompanied but with permission from Greka staff members Jeanette Boyer and Alejandro Pinon. They were there to follow up on the 03/17/2017 visit. The pits were found to be storing petroleum product. This was documented in Inspection Report #48048 (see Section 5.t).

03/30/2017 - At the request of Ms. Boyer, inspector McKay met her and Alejandro Pinon at the Los Flores pits. The pits still contained petroleum product. Ms. Boyer gave Mr. McKay a document showing various locations where Greka personnel took fugitive hydrocarbon readings with a Toxic Vapor Analyzer (TVA) and the corresponding results of the TVA readings. Mr. McKay advised them that the TVA readings were not relevant to the current compliance issues with the pit. This was documented in Inspection Report #48092 (see Section 5.u).

03/30/2017 - Ms. Boyer sent a response to the District in regard to the day's inspection outlining that Greka takes issue with the District's opinion that the pits remain out of compliance. She then supplied Greka's interpretation of District Rule 344 as it relates to the pits (see Section 5.v).

04/07/2017 - Compliance Manager McNally sent Ms. Boyer an e-mail in response to her 03/30/2017 letter. The letter reiterates that NOV #10944 was still out of compliance. Ms. McNally supplied pictures of what the District deems an empty pit versus a not empty pit (see Section 5.w).

04/21/2017 - Ms. Boyer requested an inspection of the Los Flores pits. Inspector McKay met her and Alejandro Pinon at the pits at 1000hrs. The pits were still storing petroleum product. This was documented in inspection #48173. Compliance Manager McNally sent Ms. Boyer an e-mail stating that the mornings inspection found that compliance had not been achieved(see Section 5.x).

04/26/2017 - Ms. Boyer requested an inspection of the Los Flores pits. Inspectors McKay and Swain met Greka staff Victor Mayorga and Angel Lopez at the pits at 0915hrs. The pits were determined to be storing petroleum product. This was documented in Inspection Report #48175 (see Section 5.y).

05/16/2017 - During a routine inspection of other Greka facilities, inspectors McKay and Swain along with Greka employee Angel Lopez stopped at the Los Flores lease. The pits were found to still be storing petroleum product. This was documented in Inspection Report #48232 (see Section 5.z).

06/28/2017 - A routine inspection of the Los Flores lease was conducted by inspector Swain who was accompanied by Greka employee Mike Carlson. The pits were found to be storing petroleum product. This was documented in Inspection Report #48309 (see Section 5.a.a).

09/28/2017 - Accompanied by Greka employee Victor Mayorga, inspector Swain stopped by the Los Flores lease to check the status of the pits. The pits were found storing petroleum product. This was documented in Inspection Report #48446 (see Section 5.b.b).

11/01/2017 - Inspectors McKay and Swain escorted CARB contracted researchers to various Greka leases that have wastewater pits in use. They performed various tests and collected samples of the product contained in the pits. The Los Flores lease was visited and the pits were found storing petroleum product. This was documented in Inspection Report #48475 (see Section 5.c.c).

12/13/2017 - Inspectors McKay and Swain were escorted to the Los Flores lease by Greka employee Carlos Horta for a routine inspection. The pits were found storing petroleum product. This was documented in Inspection Report #48536 (see Section 5.d.d).

04/04/2018 - Inspector Swain sent Ms. Boyer an e-mail regarding Greka's continuing violations. NOV #10944 was included in the discussion (see Section 5.e.e).

05/17/2018 - The District received the sampling results from CARB related to the tests conducted on 11/01/2017. The results confirm that total non-methane hydrocarbon (TNMHC) emissions are emanating from the east and west emergency pits (see Section 5.f.f).

05/23/2018 - Inspector Swain was escorted to the Los Flores lease by Greka employee Victor Mayorga for a routine inspection. The pits were found storing petroleum product. This was documented in Inspection Report #48858 (see Section 5.g.g).

06/13/2018 - Manger McNally e-mailed Ms. Boyer informing her that the Abatement Order Warning Letter sent on 02/23/2017 was still applicable. The only changes were that the deadline to comply was now 07/02/2018 and the District was preparing to submit a petition for abatement to the Hearing Board in August of 2018 (see Section 5.h.h).

06/20/2018 - Jeanette Boyer e-mailed Manager McNally stating that Greka is currently working on the referenced emergency pits and is committed to resolve. They are addressing the Morganti Emergency Pit first and then will move onto the Los Flores Emergency Pits, which may need additional time to complete (see Section i.i).

## Section 5

# Chronology of Events Documentation

## Section 5.a



# Inspection Report ENF - 11

Santa Barbara County Air Pollution Control District  
260-A N San Antonio Rd, Santa Barbara, CA 93110

Inspection Information						
Inspector	Sage Swain	Date	06/10/2015	Time	13:30	15:30
Category	Permitted Facility	Type	Routine	Announced	Yes	

Violation(s) #	Rule(s)
	No violations found.

General Information					
SSID	08678	FID	04008	Inspection #	46286
Permit(s)	PTO 13820 , Reeval 07307 R10, Reeval 13136 R1				
Facility	Greka - Los Flores Lease				
Company	Greka Oil & Gas				
Contact	Joe Diaz	Telephone #	(805) 357-2941		
Facility Address					
City		State		Zip	

Comments
----------

Upon review of the annual report submitted for calendar year 2014, it was noticed that the quarterly sulfur content of the gaseous fuel burned on the lease, as required by Condition 5.f. of Permit to Operate (PTO) 07307-R10, was not included in the report. An e-mail was sent to Joe Diaz of Greka Oil and Gas Inc. (Greka) requesting the above omitted information (see Attachment 1). I received a response from Mr. Diaz on 06/18/2015 with the sulfur content results for the first, second and fourth quarters. The third quarter reading is from the Bell Gas Plant discharge which supplies fuel to the combustion equipment at the Los Flores lease (see Attachment 2). All readings were below the permitted sulfur content of 796ppm.

Santa Barbara County Air Pollution Control District inspector Mike McKay and I were escorted to Greka Oil and Gas Inc.'s (Greka) Los Flores lease by Greka employees Joe Diaz and Rafael Pinon on 06/10/2015. The reason for this inspection was to compare the equipment lists of Permit to Operate (PTO) numbers 13820, 07307-R10 and 13136-R1 to the equipment found at the lease.

It should be noted that the emergency pits at this lease may not be used more than 30 days in any calendar year, per Condition 2.e. of PTO 07307-R10. Both pits with Device IDs of 008526 and 008527 were in use at time of inspection (see Attachments 3 and 4). An e-mail was sent to Joe Diaz in order to remind Greka of this permit condition (see Attachment 5).

There were no deficiencies noted during this inspection and McKay and I left the lease at 1530hrs, concluding the inspection.

For updates to the equipment lists please see the engineering notes.

### Engineering Notes

An inspection of Greka's Los Flores lease (FID 04008) was conducted on 06/10/2015 in order to compare the equipment lists of PTOs 13820, 07307-R10 and 13136-R1 to the equipment found at the lease. PTOs 13820 and 1316-R1 should be rolled into PTO 07307-R10 at time of re-evaluation.

### PTO 07307-R10

Device ID 008529-Wastewater Pit – not found at time of inspection

Device ID 112049-500bbl Baker Tank – in service, located at the wastewater injection site, Operator ID Injection Tank

Device ID 003648-Crude Oil Storage/Shipping Tank – out of service, located between LACT unit and tank



## Inspection Report ENF - 11

Santa Barbara County Air Pollution Control District  
260-A N San Antonio Rd, Santa Barbara, CA 93110

battery, Operator ID Reject Tank  
 Device ID 112060-500bbl Baker Tank – in service, located at the wastewater injection site, Operator ID Overflow tank  
 Device ID 003651-Crude Oil Storage/Reject Tank – located at the tank battery, Operator ID 1000bbl Crude Oil  
 Device ID 003653-Wastewater Tank – out of service, located at the wastewater injection site.  
 Device ID 003649-Slurry Tank – out of service, located between LACT unit and tank battery  
 Device ID 006663-Drain Tank – not found at time of inspection  
 Device ID 006664-Freewater Knockout Vessel – re-located to the Bell lease  
 Device ID 006665-Transfer pumps - a. 1bhp electric motor, serving the reject tank-out of service, b. 15bhp electric motor, serving the LACT unit-in service, located East of the 1000bbl Crude Oil tank, c. 10bhp electric motor, serving the 1000bbl crude storage tank-in service, located East of the 1000bbl Crude Oil tank, d. 5bhp electric motor, serving the LACT unit-not found, e. 2bhp electric motor serving the VRS scrubber-in service, located on the VRU skid.  
 Device ID 006666-LACT Unit – in service, the 50bhp electric motor serving this unit is no longer on site  
 Device ID 008526-Emergency Pit – in service, located below the boiler  
 Device ID 008527-Emergency Pit – in service, located below the boiler  
 Device ID 008528-Emergency Pit – in service, located below the boiler  
 Device ID 006667-Two-Phase Separators (4 each) – 1. 4'D x 15'H, in service, located at the tank battery, Operator ID Gas Scrubber, 2. 4'D x 15'H, out of service, located between LACT unit and tank battery near "Reject Tank", 3. 4'D x 15'H out of service, located near well 26-22, 4. 1.6'D x 9'H, in service, located on the VRU skid.  
 Device ID 003657-Heater Treater – in service, located at the tank battery  
 Device ID 003652-Boiler/Tank Heater – in service, located at the tank battery  
 Device ID 003654-Wemco Depurator Unit with VRS – out of service, located near VRU skid  
 Device ID 006891-Crude Oil Loading Rack – replaced by LACT unit and is no longer on site  
 Device ID 104930-Sump – in service, located at the tank battery  
 Device ID 008525-Shipping Pump for Loading Rack – not found at time of inspection  
 Device ID 006668-Vapor Recovery System – in service, located at the tank battery.

PTO 13820

Device ID 114694-Produced Water Tank – in service, MFG Superior Tank Co. INC. located at the tank battery

PTO 13136-R1

Device ID 112505-IC Engine – in service, orifice plate diameter is 0.760", Operator ID 112505, located at well 88-21.

Completed by	Sage Swain	Date	06/18/2015
Reviewed by	Eric Kett	Date	07/31/2015



Above: East Pit on 06/10/2015



Above: West Pit on 06/10/2015

**Sage H. Swain**

---

**From:** Sage H. Swain  
**Sent:** Wednesday, June 17, 2015 12:18 PM  
**To:** 'Joseph Diaz'  
**Subject:** Emergency pits at Los Flores

Joe,

I was reviewing PTO 07307-R10 for the Los Flores lease and noticed that Condition 2.e. states, "Emergency wastewater pits (APCD Device Nos. 8526, 8527, 8528) may not be used more than 30 days in any calendar year." During the inspection on 06/10/2015 two of these pits (8526 and 8527) were in use and I just wanted to remind Greka of this permit condition in hopes of avoiding future compliance issues. If you have any questions or comments please contact me. Thank you for your time.

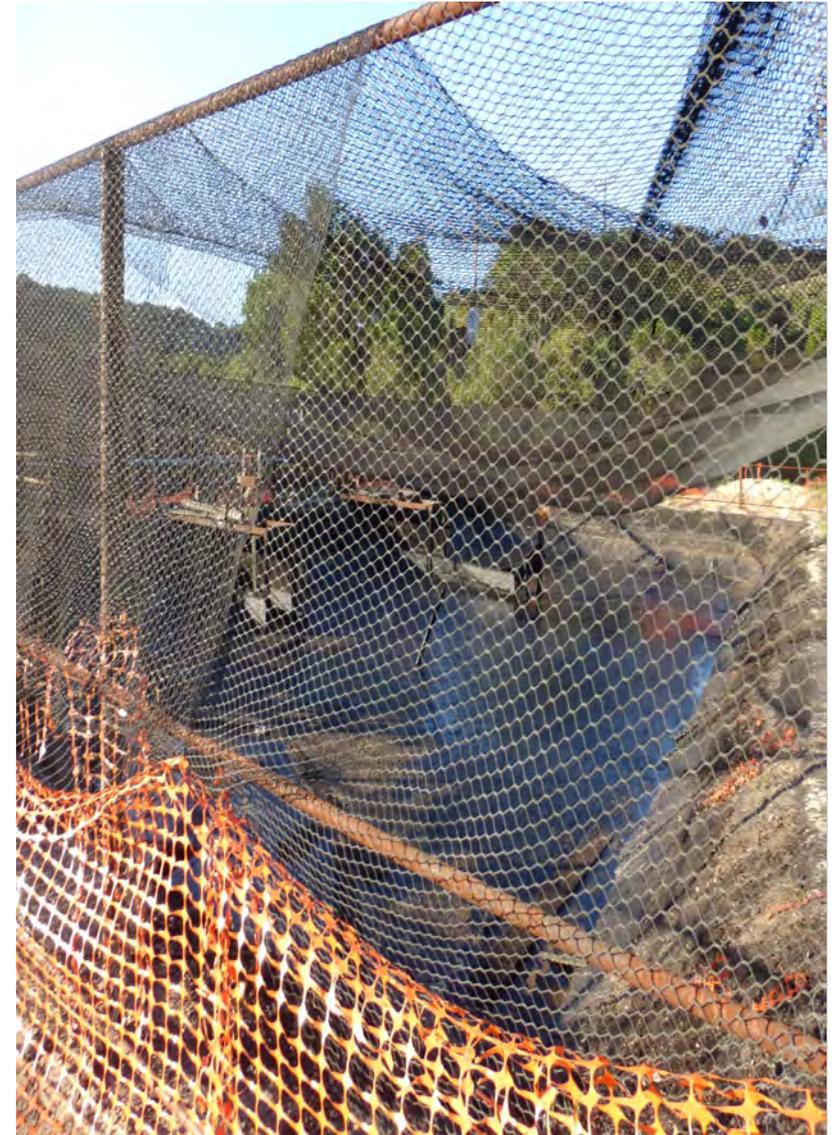
Sincerely,

Sage H. Swain  
Inspection Specialist I  
Santa Barbara County Air Pollution Control District  
[swains@sbcapcd.org](mailto:swains@sbcapcd.org)  
805-325-9494 Cell  
805-614-6791 Office

Section 5.c



Above: East Pit on 02/25/2016

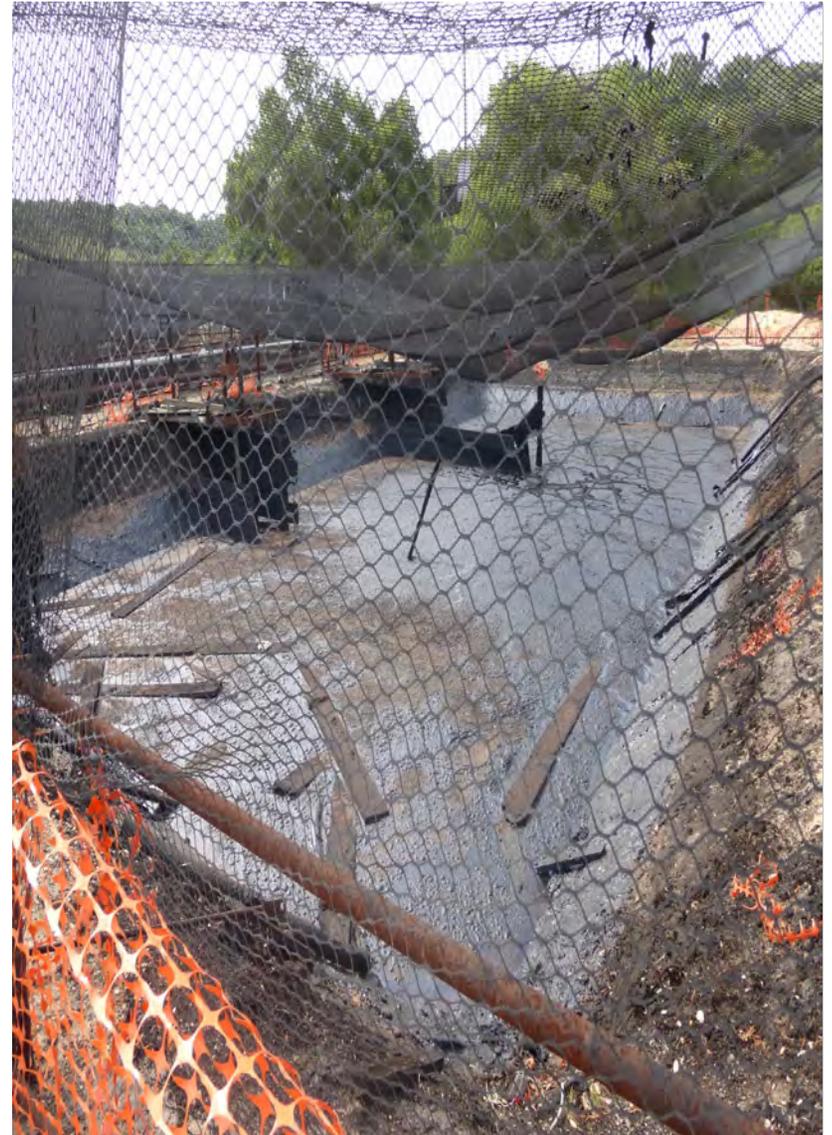


Above: West Pit on 02/25/2016

Section 5.d



Above: East Pit on 03/03/2016



Above: West Pit on 03/03/2016

Section 5.e



Above: East Pit on 03/16/2016



Above: West Pit on 03/16/2016

Section 5.f



Above: East Pit on 03/25/2016



Above: West Pit on 03/25/2016

## Section 5.g



## Inspection Report ENF - 11

Santa Barbara County Air Pollution Control District  
260-A N San Antonio Rd, Santa Barbara, CA 93110

Inspection Information						
Inspector	Sage Swain	Date	04/06/2016	Time	10:30	13:00
Category	Permitted Facility	Type	Routine	Announced	Yes	

Violation(s) #	Rule(s)
10944	331 - Fugitive Emissions Insp. and Maintenance

Violation(s) #	Rule(s)
10944	344 - Petroleum Sumps, Pit and Well Cellars

General Information					
SSID	08678	FID	04008	Inspection #	47229
Permit(s)	PTO 13820 , Reeval 07307 R10, Reeval 13136 R2				
Facility	Greka - Los Flores Lease				
Company	Greka Oil & Gas				
Contact	Joe Diaz	Telephone #	(805) 357-2941		
Facility Address					
City		State		Zip	

### Comments

It should be noted that in inspection report #46286 for Greka Oil and Gas's (Greka) Los Flores lease, conducted on 06/10/2015 it states, "It should be noted that the emergency pits at this lease may not be used more than 30 days in any calendar year, per Condition 2.e. of Permit to Operate (PTO) 07307-R10. Both pits with Device IDs of 008526 and 008527 were in use at the time of inspection. An e-mail was sent to Joe Diaz in order to remind Greka of this permit condition."

It should also be noted that these emergency pits are exempt from sections D, E, F, and G.1 of District Rule 344 per exemption B.3.b. of this same Rule. The exemption applies because the pits are supposed to be used less than 30 days in any one calendar year.

I visited the Los Flores facility on 02/25/2016, for reasons unrelated to a routine inspection, and noticed that the emergency pits mentioned above were still in use. I photo documented the pits. I returned on 03/03/2016, 03/16/2016 and 03/25/2016 and the pits were in use during each visit (see Attachment 1).

I arrived at Greka's Los Flores lease on 04/06/2016 at 1030hrs escorted by Greka employees Joe Diaz and Rafael Pinon.

The emergency pits mentioned above were still in use at the time of this inspection (see Attachments 2 and 3).

The following equipment and areas were inspected for fugitive, hydrocarbon emissions (leak(s)) with the use of a Toxic Vapor Analyzer (TVA): Heater Teater, Gas Scrubber, 1000bbl Crude Tank, 1000bbl Produced Water Tank, Vapor Recovery Unit, Injection Tank Battery, Idle Wells 88-21, 107-21, 112-21, 110-21, 85-21, 102-21, 103-21, 86-21, 104-21 and 26-22.

At well 88-21 I found the internal combustion engine (Device ID 112505) associated with Permit to Operate (PTO) 13136-R2. The engine found in the field was the engine described in the above mentioned PTO.

While inspecting one of the two "Baker" tanks located at the Injection Tank Battery I noticed a hose coming from the top of one of the tanks. I climbed the stairs to the top of the adjacent out of service tank and saw that the



## Inspection Report ENF - 11

Santa Barbara County Air Pollution Control District  
260-A N San Antonio Rd, Santa Barbara, CA 93110

hose was protruding out of an open hatch (see Attachment 4). This was clearly a violation of Rule 331 as hatches need to be closed at all times except when sampling, adding process material or attended maintenance operations. Mr. Diaz then called the foreman of the lease and explained how and why this was a violation. Mr. Diaz informed me that the foreman would have someone close the hatch and remove the hose.

As this was a produced water tank, I wanted to check if the open hatch was emitting hydrocarbons. I climbed the ladder and checked the open hatch with the TVA. The TVA reported that the open hatch was emitting hydrocarbons at a rate of 48,100ppm (see Attachment 5).

No other deficiencies were noted and I left the lease at 1300hrs, concluding the inspection.

Notice of Violation (NOV) #10944 was issued to Jeanette Boyer, Greka's Director of Compliance on 04/11/2016 for violating District Rules 331 D.2 and 344 B.3.b.

District Rule 331 D.2. was violated by failing to keep hatches closed at all times except during sampling, adding process material or attended maintenance operations. Specifically, a 500BBL "Baker" tank (Device ID 112060) was found unattended with a hose protruding through an open hatch.

District Rule 344 B.3.b. was violated by applying exemptions to two emergency wastewater pits that no longer meet the exemption criteria. District Rule 344 B.3.b. states, "Sections D, E, F and G.1 of this rule shall not apply to: b. Pits used less than 30 days per year. Pits are in use when either receiving or storing petroleum product." The pits were documented storing petroleum product from 02/25/2016 until present. As the pits were used more than 30 days in one year, the exemption provided by Rule 344 B.3.b. no longer applies, and both pits are now subject to Sections D, E, F and G.1 of District Rule 344.

I received a response from Joe Diaz of Greka on 04/20/2016 stating, "Greka operators closed the manway hatch on 4/6/2016, the leak was verified by Greka technicians not to be leaking on 4/7/2016, post ppm reading was 600." It also stated, "Greka started clearing the pits prior to inspection on 4/6/2016 and will continue to do so."

TVA Calibration Data: Calibrated per instrument instruction manual

Date: 04/06/2016

Time: 0800hrs

Methane Counts: 2270227

Zero Air Counts: 2070

Instrument Sensitivity: 226.8

Instrument reading when 10,000ppm of Methane was applied: 1%

Attachments:

Attachments 1-5: Inspection Photography

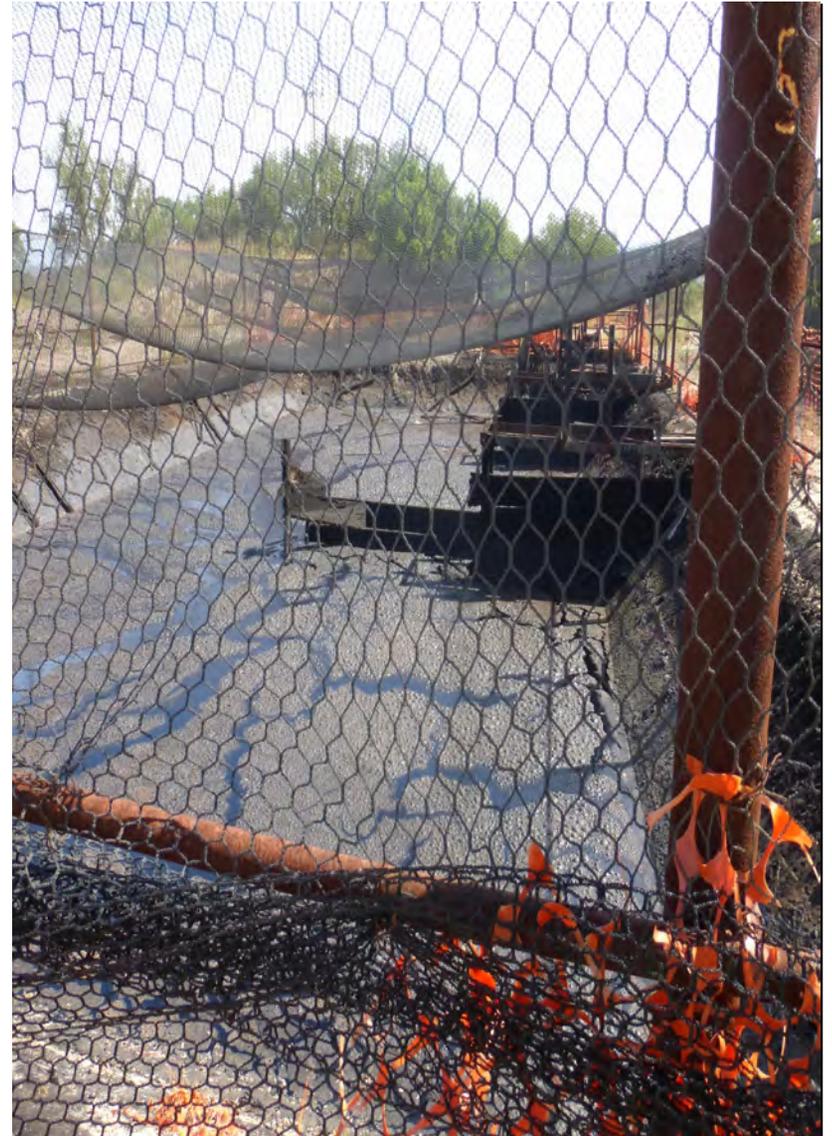
Attachment 6: Facility Tank Data Sheet

(Attachment 1, 4, 5 and 6 are not relevant to the Abatement Order and are not included.)

Completed by	Sage Swain	Date	04/21/2016
Reviewd by	Eric Kett	Date	04/28/2016



Above: East Pit on 04/06/2016



Above: West Pit on 04/06/2016

[Attachments 2 and 3](#)



Santa Barbara County  
**Air Pollution Control District**

VIA ELECTRONIC MAIL  
jmb@greka.com

April 11, 2016

Greka Oil and Gas  
Jeanette Boyer  
PO Box 5489  
Santa Maria, CA 93456

RE: Notice of Violation #10944

Dear Ms. Boyer,

Enclosed you will find Notice of Violation (NOV) #10944 documenting violations of District Rules 331 D.2 and 344 B.3.b. These violations were documented during an inspection of Greka's Los Flores lease conducted on 04/06/2016.

District Rule 331 D.2. states, "Hatches shall be closed at all times except during sampling, adding process material or attended maintenance operations." A 500BBL "Baker" tank (Device ID 112060) was found unattended with a hose protruding through an open hatch. The hatch was emitting hydrocarbons at a rate of 48,100ppm.

District Rule 344 B.3.b. was violated by applying exemptions to two emergency wastewater pits that no longer meet the exemption criteria. District Rule 344 B.3.b. states, "Sections D, E, F and G.1 of this rule shall not apply to: b. Pits used less than 30 days per year. Pits are in use when either receiving or storing petroleum product." The pits were documented storing petroleum product from 02/25/2016 until present. As the pits were used more than 30 days in one year, the exemption provided by Rule 344 B.3.b. no longer applies, and both pits are now subject to Sections D, E, F and G.1 of District Rule 344.

Please email a signed copy of this NOV to swains@sbcapcd.org within ten (10) days of receipt of the NOV. Please feel free to submit any documentation of corrective actions taken to prevent continued or recurring violations. Alternatively, a NOV response may be mailed to my attention at: 301 E. Cook Street, Ste. L Santa Maria, CA 93454.

You will receive a separate letter from Mutual Settlement detailing the NOV resolution. Please refer to the District's Policy and Procedure regarding Mutual Settlement available at: <http://www.ourair.org/wp-content/uploads/VII.D.pdf>.



**Santa Barbara County  
Air Pollution Control District**

If you have any questions regarding this matter, please contact me at 805-614-6791, or [swains@sbcapcd.org](mailto:swains@sbcapcd.org).

Sincerely,

Sage Swain  
Inspection Specialist

Enclosed: NOV #10944

cc: Chron File  
FID File (#04008)



## NOTICE OF VIOLATION

10944

VIOLATION NUMBER

04/06/2016

DATE OF DISCOVERY

4/6/16 & 3/27/16

DATE OF VIOLATION

NAME Greka Oil and Gas PHONE (805) 357-2938

ADDRESS P.O. Box 5489, Santa Maria, CA 93455

LOCATION OF VIOLATION Los Flores Lease

FID # 04008 PERMIT / REG / NOTIF # PTO 07307-R10

YOU ARE HEREBY NOTIFIED THAT PURSUANT TO SECTION 40702  
OF THE HEALTH AND SAFETY CODE OF THE STATE OF CALIFORNIA A VIOLATION  
HAS BEEN COMMITTED THROUGH THE FOLLOWING ACT: VIOLATION OF  
DISTRICT RULE(s): 1. 331 D.2 and 2. 344 B.3.b.

BY: 1. failing to keep hatches closed at all times.

2. applying exemptions to two emergency wastewater pits that no longer meet the exemption criteria.

**ATTENTION:** Immediate action must be taken if necessary to prevent violation from continuing. Return a copy of this document within 10 days of receipt with a written description of the corrective action taken. Direct this information to the attention of the individual who issued the notice of violation.

Please note that each and every day, or portion thereof, that a violation exists, may be considered a separate violation.

Served to: Jeanette Boyer By: Sage Swain

Title: Director of Compliance Title: Inspection Specialist

Sent Via Electronic Mail # jmb@greka.com Date April 11, 2016

ENF-75 (09/21/2011)



Transmitted via Email

April 15, 2015

Sage Swain  
Santa Barbara County  
Air Pollution Control District  
301 East Cook Street, Suite L  
Santa Maria, CA 93454

RE: Los Flores Stationary Source  
Los Flores Lease FID-4008  
Notice of Violation 10944

Dear Mr. Sage Swain:

Greka Oil & Gas (Greka) hereby submits documentation pertaining to the corrective actions taken to address Notice of Violation #10944.

If you have any questions or comments please contact Joe Diaz at (805)357-2941.

Sincerely,

  
Jeanette Boyer  
Director of Compliance

Enclosure

**Notice of Violation Report  
NOV 10944  
Los Flores**

---

Violation Number	10944
Owner/Operator	Greka Oil & Gas
Stationary Source:	Los Flores
Facility:	Los Flores, FID- 4008
Permit:	PTO -7307

**Background:**

On April 11, 2016 Greka Oil and Gas received NOV #10944 which resulted from a District inspection conducted on 4/6/2016. NOV #10944 documents one violation of District Rule 331 D.2 and one violation of District Rule 344 B.3.b.

**Corrective Action:**

Greka operators closed the manway hatch on 4/6/2016, the leak was verified by Greka technicians not to be leaking on 4/7/2016, post ppm reading was 600.

Greka started clearing the pits prior to inspection on 4/6/2016 and will continue to do so.

**Attachment:**

Attachment 1 - NOV 10944

Attachment 2 – Emission Calculations



**Santa Barbara County  
Air Pollution Control District**

VIA ELECTRONIC MAIL  
jmb@greka.com

April 11, 2016

Greka Oil and Gas  
Jeanette Boyer  
PO Box 5489  
Santa Maria, CA 93456

RE: Notice of Violation #10944

Dear Ms. Boyer,

Enclosed you will find Notice of Violation (NOV) #10944 documenting violations of District Rules 331 D.2 and 344 B.3.b. These violations were documented during an inspection of Greka's Los Flores lease conducted on 04/06/2016.

District Rule 331 D.2. states, "Hatches shall be closed at all times except during sampling, adding process material or attended maintenance operations." A 500BBL "Baker" tank (Device ID 112060) was found unattended with a hose protruding through an open hatch. The hatch was emitting hydrocarbons at a rate of 48,100ppm.

District Rule 344 B.3.b. was violated by applying exemptions to two emergency wastewater pits that no longer meet the exemption criteria. District Rule 344 B.3.b. states, "Sections D, E, F and G.1 of this rule shall not apply to: b. Pits used less than 30 days per year. Pits are in use when either receiving or storing petroleum product." The pits were documented storing petroleum product from 02/25/2016 until present. As the pits were used more than 30 days in one year, the exemption provided by Rule 344 B.3.b. no longer applies, and both pits are now subject to Sections D, E, F and G.1 of District Rule 344.

Please email a signed copy of this NOV to swains@sbcapcd.org within ten (10) days of receipt of the NOV. Please feel free to submit any documentation of corrective actions taken to prevent continued or recurring violations. Alternatively, a NOV response may be mailed to my attention at: 301 E. Cook Street, Ste. L Santa Maria, CA 93454.

You will receive a separate letter from Mutual Settlement detailing the NOV resolution. Please refer to the District's Policy and Procedure regarding Mutual Settlement available at: <http://www.ourair.org/wp-content/uploads/VII.D.pdf>.



Our Vision  Clean Air

**Santa Barbara County  
Air Pollution Control District**

If you have any questions regarding this matter, please contact me at 805-614-6791, or [swains@sbcapcd.org](mailto:swains@sbcapcd.org).

Sincerely,



Sage Swain  
Inspection Specialist

Enclosed: NOV #10944

cc: Chron File  
FID File (#04008)

Aeron Arlin Genet • Air Pollution Control Officer  
260 North San Antonio Road, Suite A • Santa Barbara, CA • 93110 • 805.961.8800  
[OurAir.org](http://OurAir.org) • [twitter.com/OurAirSBC](https://twitter.com/OurAirSBC)



Santa Barbara County  
Air Pollution Control District

NOTICE OF VIOLATION

10944

VIOLATION NUMBER

04/06/2016

DATE OF DISCOVERY

4/6/16 & 3/27/16

DATE OF VIOLATION

NAME Greka Oil and Gas PHONE (805) 357-2938

ADDRESS P.O. Box 5489, Santa Maria, CA 93455

LOCATION OF VIOLATION Los Flores Lease

FID # 04008 PERMIT / REG / NOTIF # PTO 07307-R10

YOU ARE HEREBY NOTIFIED THAT PURSUANT TO SECTION 40702  
OF THE HEALTH AND SAFETY CODE OF THE STATE OF CALIFORNIA A VIOLATION  
HAS BEEN COMMITTED THROUGH THE FOLLOWING ACT: VIOLATION OF  
DISTRICT RULE(s): 1. 331 D.2 and 2. 344 B.3.b.

BY: 1. failing to keep hatches closed at all times.  
2. applying exemptions to two emergency wastewater pits that no longer meet the exemption criteria.

**ATTENTION:** Immediate action must be taken if necessary to prevent violation from continuing. Return a copy of this document within 10 days of receipt with a written description of the corrective action taken. Direct this information to the attention of the individual who issued the notice of violation.

Please note that each and every day, or portion thereof, that a violation exists, may be considered a separate violation.

Served to: Jeanette Boyer By: Sage Swain

Title: Director of Compliance Title: Inspection Specialist

Sent Via Electronic Mail # jmb@greka.com Date April 11, 2016

ENF-75 (09/21/2011)

Los Flores  
 NOV # 10944  
 Excess Emissions

Santa Barbara County APCD Fugitive ROC Emissions Calculation - Screening Value Range Method  
 Major Leaks (>10,000 ppm)

ADMINISTRATIVE INFORMATION		Refinery		Offshore Platform					
NOV or Breakdown #	10944								
Company:	Greka Oil & Gas								
Facility:	Los Flores Lease								
Permit:	7307								
Date:	4/14/2016								
Facility Type: (Choose one facility type by marking the box to the right of the facility type with an "x")									
Production Field	<input type="checkbox"/>	Gas Processing Plant	<input type="checkbox"/>	Refinery	<input type="checkbox"/>				
Component:	Count	THC <sup>1</sup> Emission Factor (lb/day-clp)	ROC/THC Ratio	Uncontrolled ROC Emission (lb/day)	Control <sup>2,3</sup> Efficiency	Uncontrolled ROC Emission (lb/hr)	Uncontrolled ROC Emission (lb/day)	Total Days of Uncontrolled Emissions	Total ROC Emissions (lbs)
Gas Condensate Service									
Valves		7.330	0.31	0.00	0.00	0.00	0.00	0.00	
Pumps Seals		3.800	0.31	0.00	0.00	0.00	0.00	0.00	
Compressor Seals		1.370	0.31	0.00	0.00	0.00	0.00	0.00	
Connections		3.230	0.31	0.00	0.00	0.00	0.00	0.00	
Flanges		2.900	0.31	0.00	0.00	0.00	0.00	0.00	
Open-Ended Lines	1	9.760	0.31	3.03	0.00	0.13	3.03	1	
Others									
Liquid Service									
Valves		3.740	0.56	0.00	0.00	0.00	0.00	0.00	
Pumps Seals		3.800	0.56	0.00	0.00	0.00	0.00	0.00	
Compressor Seals		1.240	0.56	0.00	0.00	0.00	0.00	0.00	
Connections		13.800	0.56	0.00	0.00	0.00	0.00	0.00	
Flanges		1.170	0.56	0.00	0.00	0.00	0.00	0.00	
Open-Ended Lines		0.503	0.56	0.00	0.00	0.00	0.00	0.00	
Others									
<b>Total</b>	<b>1</b>			<b>3.03</b>		<b>0.13</b>	<b>3.03</b>		<b>3.03</b>

Notes:  
 1. APCD P&P # 6100.072.1998. Applied the THC factor for Method 21 reading equal to or greater than 10,000 ppm (Rule 331 Major leaks).  
 2. Others: Include Access Door Seals, hatches, PRVs to Atm, process drains, manhole covers, and vents

Section 5.j



Above: East Pit on 04/19/2016



Above: West Pit on 04/19/2016

Section 5.k



Above: East Pit on 05/10/2016



Above: West Pit on 05/10/2016

Section 5.1



Above: East Pit on 05/18/2016



Above: West Pit on 05/18/2016

Section 5.m



Above: East Pit on 05/26/2016



Above: West Pit on 05/26/2016

Section 5.n



Above: East Pit on 07/14/2016



Above: West Pit on 07/14/2016

Section 5.0



**Inspection Report  
ENF - 11**

Santa Barbara County Air Pollution Control District  
260-A N San Antonio Rd, Santa Barbara, CA 93110

Inspection Information						
Inspector	Sage Swain	Date	10/19/2016	Time	09:01	11:00
Category	Permitted Facility		Type	Routine	Announced	Yes
Violation(s) #	Rule(s)					
11107	206 - Conditional Approval of ATC or PTO					
General Information						
SSID	08678	FID	04008	Inspection #	47793	
Permit(s)	PTO 13820 , Reeval 07307 R10, Reeval 13136 R2					
Facility	Greka - Los Flores Lease					
Company	Greka Oil & Gas					
Contact	Victor Mayorga		Telephone #	(805) 347-8700		
Facility Address						
City		State		Zip		



## Inspection Report ENF - 11

Santa Barbara County Air Pollution Control District  
260-A N San Antonio Rd, Santa Barbara, CA 93110

Comments
<p>Upon review of Greka Oil and Gas's (Greka) calendar year 2015 annual reports for the Los Flores lease, it was noted that there were omissions of information that are required by Permit to Operate (PTO) 07307-R10 and PTO 13136-R1. The quarterly hydrogen sulfide samples required by Condition 5.f. of PTO 07307-R10 were reported as "N/A" in the 2015 annual report. The quarterly orifice plate inspections required by Condition 4.e. of PTO 13136-R1 were not conducted in the 1st, 2nd, and 4th quarters, as stated in the 2015 annual report. Also, omitted from the calendar year 2015 annual report was the information required by Conditions 4.a. (Monthly and annual fuel use in units of standard cubic feet) and 4.d. (Days of operation per month and year of the engine) of PTO 13136-R1.</p> <p>I was escorted to Greka Oil and Gas's (Greka) Los Flores lease on 10/19/2016 by Victor Mayorga, Greka's Production Foreman. The inspection commenced at 0901hrs.</p> <p>The following equipment and areas were inspected for fugitive, hydrocarbon emissions with a Toxic Vapor Analyzer (TVA): vapor recovery unit, vapor recovery compressor scrubber, 1000bbl produced water tank, 1000bbl crude oil tank, idle wells 45-22, 35-22, 110-21, 112-21, 88-21, 107-21, 78-21, 77-21, A-4-21 and 66-21. No fugitive hydrocarbons that would constitute a leak per District Rule 331 were observed.</p> <p>It was observed that the emergency pits that were the subject of the District Rule 344 violation documented in Notice of Violation (NOV) #10944 were still storing petroleum product at the time of this inspection. This will be addressed in the Mutual Settlement of NOV #10944 and or could become the subject of an abatement order for this lease in the near future.</p> <p>The engine associated with PTO 13136-R2 was found at well 88-21. The engine was disconnected from the fuel line and was confirmed to be the same engine as found in previous inspections. The engine has an Operator Identification number of 112505.</p> <p>It should be noted that the entire lease is currently shut in, however, the vapor recovery compressor was running, and the produced gas from the crude storage and wastewater tanks is being sent to the Bell gas plant. No other production equipment was in-service. Per Mr. Mayorga, Greka is waiting to install new injection tanks, and once installed, Greka plans on resuming operations.</p> <p>No other deficiencies were noted during the inspection and we left the lease at approximately 1100hrs, concluding the inspection.</p> <p>NOV #11107 was issued to Jeanette Boyer, Greka's Director of Compliance on 11/03/2016. NOV #11107 documents multiple violations of District Rule 206. Upon review of the calendar year 2015 annual reports for the Los Flores lease, there were omissions of information that are required by Permit to Operate (PTO) 07307-R10 and PTO 13136-R1. The quarterly hydrogen sulfide samples required by Condition 5.f. of PTO 07307-R10 were reported as "N/A". The quarterly orifice plate inspections required by Condition 4.e. of PTO 13136-R1 were not conducted in the 1st, 2nd, and 4th quarters. Also, omitted was the information required by Conditions 4.a. (Monthly and annual fuel use in units of standard cubic feet) and 4.d. (Days of operation per month and year of the engine) of PTO 13136-R1.</p> <p>It is now 11/14/2016 and I have not received an NOV response from Greka and am forwarding the NOV onto the District's Mutual Settlement program. If an NOV response is received I will update the District records and make sure the response is received by Mutual Settlement for consideration.</p>

<b>Completed by</b>	Sage Swain	<b>Date</b>	11/14/2016
<b>Reviewed by</b>	Eric Kett	<b>Date</b>	02/23/2017



Above: East Pit on 10/19/2016



Above: West Pit on 10/19/2016

Certified Mail  
7013 1090 0000 7516 4839

October 28, 2016

Greka Oil & Gas  
Attn: Jeanette Boyer  
PO Box 5489  
Santa Maria, CA 93456

Re: Notice of Violation #10944 Settlement Offer

Dear Ms. Boyer:

This letter is in reference to Notice of Violation (NOV) #10944 dated April 6, 2016 (copy attached), which you have received from the Air Pollution Control District (District). This NOV identifies the following violations; 1) District Rule 331 by failing to keep hatches closed at all times, and 2) District Rule 344 by applying exemptions to two emergency wastewater pits that no longer meet the exemption criteria. This letter is an offer of settlement for the noted violations.

Although the California Health and Safety Code specifies that the penalty for emissions violations can include civil penalties of up to \$25,000 per day for each day of each violation (*California Health and Safety Code Section 42402.1*), we are proposing a reduced amount. This reduced amount takes into account the magnitude and severity of the violation, as well as the prior history of violations of a similar nature that have occurred at the facility and by the owner/operator. All parties we deal with, whether private, commercial, or governmental, are treated similarly in the settlement process, with any settlements offered being based upon an evaluation of the same factors and criteria in all cases.

THIS LETTER CONSTITUTES AN OFFER OF SETTLEMENT AND IS NOT A DEMAND FOR PAYMENT. If you have any legal questions regarding settlement, penalties or procedures, you should seek the advice of your attorney.

If you are interested in settling this matter without further legal proceedings, I am authorized to offer to settle this matter in accordance with the following terms:

1. Payment of a civil penalty in the sum of \$10,000. The requested civil penalty is based upon the first offense of Rule 331 and a knowing violation of Rule 344.
2. Proof of present compliance must be submitted in writing if not already provided. In this case, District Staff must witness Rule 344 compliance (emergency pits emptied and continued use curtailed).
3. In accordance with California Health and Safety Code Section 42400.7, you shall be released from any and all claims for civil or criminal penalties under Section 42400, arising from the incident referred to in the Notice of Violation.

Aeron Arlin Genet • Air Pollution Control Officer  
260 North San Antonio Road, Suite A • Santa Barbara, CA • 93110 • 805.961.8800  
OurAir.org • twitter.com/OurAirSBC

4. The District reserves the right to rely upon the alleged violation and may offer proof thereof in connection with any petition for a variance, permit revocation or abatement order before the District Hearing Board.
5. This settlement shall not constitute an admission of violating District rules, nor shall it be inferred to be such an admission in any administrative or judicial proceeding.

If the above terms are acceptable to you, sign and return a copy of this letter together with written proof that the facility is now in compliance by the date specified below and a check payable to **SANTA BARBARA COUNTY APCD**, in the sum of \$10,000 to:

Santa Barbara County  
Air Pollution Control District  
260 North San Antonio Road, Suite A  
Santa Barbara, CA 93110

If I do not receive a counter settlement offer or hear from you by November 18, 2016, I will assume that you are not interested in resolving this matter as outlined above and will refer the violation to the Santa Barbara County Office of the District Attorney for further enforcement action. Should you have any questions regarding this matter, please contact me at (805) 614-6789.

Sincerely,



Eric Kett, Engineering Supervisor  
Compliance Division

Enclosure

cc: Greka Oil and Gas (Los Flores Lease) – FID 04008  
Jeanette Boyer ([jmb@greka.com](mailto:jmb@greka.com))  
Mutual Settlement File  
Chron File

Signature: \_\_\_\_\_ Title: \_\_\_\_\_

Date: \_\_\_\_\_

\\sbcapcd.org\shares\Groups\ENGR\Compliance\Mutual Settlement\#10944 Greka Oil & Gas (Los Flores Lease)\Initial Settlement letter - single NOV.docx



# NOTICE OF VIOLATION

10944

VIOLATION NUMBER

04/06/2016

DATE OF DISCOVERY

4/6/16 & 3/27/16

DATE OF VIOLATION

NAME Greka Oil and Gas PHONE (805) 357-2938

ADDRESS P.O. Box 5489, Santa Maria, CA 93455

LOCATION OF VIOLATION Los Flores Lease

FID # 04008 PERMIT / REG / NOTIF # PTO 07307-R10

YOU ARE HEREBY NOTIFIED THAT PURSUANT TO SECTION 40702  
OF THE HEALTH AND SAFETY CODE OF THE STATE OF CALIFORNIA A VIOLATION  
HAS BEEN COMMITTED THROUGH THE FOLLOWING ACT: VIOLATION OF  
DISTRICT RULE(s): 1. 331 D.2 and 2. 344 B.3.b.

BY: 1. failing to keep hatches closed at all times.

2. applying exemptions to two emergency wastewater pits that no longer meet the exemption criteria.

**ATTENTION:** Immediate action must be taken if necessary to prevent violation from continuing. Return a copy of this document within 10 days of receipt with a written description of the corrective action taken. Direct this information to the attention of the individual who issued the notice of violation.

Please note that each and every day, or portion thereof, that a violation exists, may be considered a separate violation.

Served to: Jeanette Boyer By: Sage Swain

Title: Director of Compliance Title: Inspection Specialist

Sent Via Electronic Mail # jmb@greka.com Date April 11, 2016

ENF-75 (09/21/2011)

Section 5.q



Above: East Pit on 12/14/2016



Above: West Pit on 12/14/2016



Via Certified Mail

9171 9690 0935 0137 5409 40

February 23, 2017

Ms. Jeanette Boyer  
Greka Oil & Gas  
PO Box 5489  
Santa Maria, CA 93456

FID: 04008  
Permit: P 07307 - R10  
SSID: 08678

Re: Abatement Order Warning for Notice of Violation #10944 for Emergency Pits

Dear Ms. Boyer:

On April 6, 2016, the Santa Barbara County Air Pollution Control District (District) issued Notice of Violation (NOV) #10944 for failing to bring the emergency pits (District Device IDs 008526 and 008527) at the Los Flores Lease into compliance with District Rule 344. The emergency pits are currently in-use storing petroleum product and have been witnessed storing petroleum product starting in June 2015. This continued and ongoing use is in violation of the Rule 344 designation of these pits. Rule 344 requires that emergency pits be used less than 30 days per year. In addition, these emergency pits have emitted excess emissions on each day they have contained petroleum product, totaling over 32,500 lbs. ROC from April 6, 2016 until now. Please refer to the Attachments for a detailed chronology of events regarding this ongoing violation and a calculation of the excess emissions.

Please note that your Permit to Operate (PTO) 07307-R10 for Greka Oil and Gas's (Greka) Los Flores Lease was due for reevaluation on August 12, 2016. The District will not reevaluate Greka's permit at this time due to the ongoing violation of District Rule 344 and California Health and Safety Code Section 40702.

Please complete the following actions **by March 16, 2017**, in order to return to compliance:

- Notify the District how and where the material in the emergency pits will be properly disposed of, and
- Completely empty the emergency pits and properly dispose of the material, and
- Arrange for and complete a District inspection to verify that Greka has emptied the emergency pits.

Greka has indicated that the material in the emergency pits may be disposed in accordance with the California Regional Water Quality Control Board Central Coast

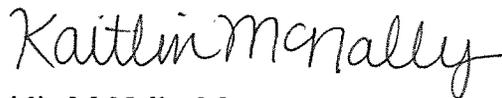
Region Order No. R3-2010-0036 *General Conditional Waiver of Waste Discharge Requirements for the Management of Petroleum-Impacted Soils at Authorized Waste Pile Management Facilities on Active Oil Leases and Fee Properties in the Central Coast Region*. In order to dispose of the material in this manner, Greka must submit formal written approval from the California Regional Water Quality Control Board Central Coast Region, on their letterhead, that clearly approves the material in the emergency pits to be deposited at the Greka Authorized Waste Pile Management facility.

After Greka has returned to compliance, the District will reevaluate Permit to Operate (PTO) 07307 and send a separate Mutual Settlement letter detailing resolution for NOV #10944. A fine will be assessed to address this violation. Greka's efforts to take necessary steps to come into compliance factors into the amount of the District fine. Please note that due to the amount of time that has passed, the previous Mutual Settlement offer, outlined in a letter dated October 28, 2016, no longer stands.

If Greka does not complete the actions to return to compliance, identified above, by March 16, 2017, the **District will prepare an abatement order** to be heard by the Santa Barbara County Air Pollution Control District Hearing Board in May 2017. This abatement order will require Greka to take specific actions to address compliance or shut down operations. This letter serves as written notification that pursuant to Rule 210.IV.C, Greka will be assessed fees to recover all District administrative costs, including County Counsel costs, associated with the preparation, issuance and implementation of the abatement order. Pursuant to District Rule 502, Greka will receive a copy of the petition that the District files with the Hearing Board, and will have an opportunity to respond to the petition, as provided in District Rule 509.

If you have any questions about this letter or require additional information, please contact me at (805) 961-8855.

Sincerely,



Kaitlin McNally, Manager  
Compliance Division

Attachments: A – Chronology of Events  
B – Excess Emissions Calculations

cc: William Dillon, County Counsel  
Michael Goldman, APCD  
Eric Kett, APCD  
Los Flores 04008 Project File  
ECD Chron

## **Attachment A**

### **Chronology of Events**

06/10/2015 – During a routine inspection, District inspector Swain found the two emergency pits with District device ID's of 008526 and 008527 storing petroleum product.

06/17/2015 - District inspector Swain sent Greka employee Joe Diaz an e-mail reminding Greka that these pits are for emergency use only, and as such, can only be used 30 days out of any calendar year.

02/25/2016 - During a routine inspection of other Greka facilities, inspector Swain and members of Greka staff stopped at the Los Flores lease and photo-documented the pits storing petroleum product.

03/03/2016 - During a routine inspection of other Greka facilities, inspector Swain and members of Greka staff stopped at the Los Flores lease and photo-documented the pits storing petroleum product.

03/16/2016 - During a routine inspection of other Greka facilities, inspector Swain and members of Greka staff stopped at the Los Flores lease and photo-documented the pits storing petroleum product.

03/25/2016 - During a routine inspection of other Greka facilities, inspector Swain and members of Greka staff stopped at the Los Flores lease and photo-documented the pits storing petroleum product.

04/06/2016 – During a routine inspection, District inspector Swain found the emergency pits storing petroleum product.

04/11/2016 – The District issued Notice of Violation (NOV) #10944 to Greka to document a violation of District Rule 344 B.3.b. for applying exemptions to two emergency wastewater pits that no longer meet the exemption criteria.

04/19/2016 - During a routine inspection of other Greka facilities, inspector Swain and members of Greka staff stopped at the Los Flores lease and photo-documented the pits storing petroleum product.

05/10/2016 - During a routine inspection of other Greka facilities, inspector Swain and members of Greka staff stopped at the Los Flores lease and photo-documented the pits storing petroleum product.

05/18/2016 - During a routine inspection of other Greka facilities, inspector Swain and members of Greka staff stopped at the Los Flores lease and photo-documented the pits storing petroleum product.

05/26/2016 - During a routine inspection of other Greka facilities, inspector Swain and members of Greka staff stopped at the Los Flores lease and photo-documented the pits storing petroleum product.

07/14/2016 - During a routine inspection of other Greka facilities, inspector Swain and members of Greka staff stopped at the Los Flores lease and photo-documented the pits storing petroleum product.

10/19/2016 – During a routine inspection, District inspector Swain found the emergency pits storing petroleum product.

10/28/2016 – The District mailed a Mutual Settlement offer via certified mail to Greka requesting a response by 11/18/2016.

12/14/2016 - Inspector Swain and members of Greka staff stopped at the Los Flores lease and photo-documented the pits storing petroleum product.

## **Attachment B**

### **Excess Emissions Calculations**

Date of Violation: 04/06/2016

Days in Violation from 04/06/2016 – 2/23/2017 = 323 days

Per page 34 of PTO 07307-R10 each emergency pit emits 50.4 pounds of Reactive Organic Compounds (ROC) per day.

The two emergency pits combined emit 100.8 pounds of ROC's per day.

The daily emissions combined for each pit (100.8lbs/day) times the number of days in violation (323 days) = 32,558.4 lbs. of excess ROC emissions as of 2/23/2017.

Section 5.s



**Inspection Report  
ENF - 11**

Santa Barbara County Air Pollution Control District  
260-A N San Antonio Rd, Santa Barbara, CA 93110

Inspection Information						
Inspector	Michael McKay	Date	03/17/2017	Time	09:30	10:30
Category	Permitted Facility	Type	Surveillance	Announced	Yes	
Violation(s) #	Rule(s)					
	No violations found.					
General Information						
SSID	08678	FID	04008	Inspection #	48046	
Permit(s)	Reeval 07307 R10					
Facility	Greka - Los Flores Lease					
Company	Greka Oil & Gas					
Contact	Jeanette Boyer		Telephone #	(805) 357-2933		
Facility Address						
City		State		Zip		



## Inspection Report ENF - 11

Santa Barbara County Air Pollution Control District  
260-A N San Antonio Rd, Santa Barbara, CA 93110

**Comments**

On 03/15/17 at 10:15am, Sage Swain and I drove by the Los Flores Lease while on our way to Bell. We witnessed some type of activity being performed at the Los Flores pits. We did not stop to confirm the activity, but Greka was definitely performing some type of work at the pit location during that timeframe.

The compliance deadline for the Abatement Order warning on NOV #10944 is 03/16/17.

On the morning of 03/17/17, I arrived to the Los Flores Lease around 09:30 and met with Victor Mayorga (lease foreman).

Both pits still had fluid/material in them. Pictures are located here:  
 \\sbcapcd.org\shares\Groups\ENGR\Compliance\Permitted Facilities\FID 04008 Greka - Las Flores Lease  
 \Correspondence\2017-03-17

Some details:

- Per Greka's discussion with Kaitlin on 03/16/17, all material being removed from the pits is being sent to a FWKO (Los Flores does not have a FWKO? Bell does?), then returned to the production system.
- During my visit, I was informed by Victor that the "east pit" has approximately 8"-10" of material remaining while the "west pit" has approximately 4"-6" remaining.
- There were no vacuum trucks present during my visit.

Per Victor:

- There is no material being sent to a FWKO.
- When material is removed, it is sent by vacuum truck to either the Blochman or Security Injection Tanks or the Bell Stock Tank.
- There is no separation before sending to the above tanks as the pits have been sitting long enough to separate on their own and Greka is removing water and/or oil and sending directly to one of the above tanks.
- The pits should be empty either today (03/17/17) or tomorrow (03/18/17).
- Greka is currently waiting on lab results from the dirty soil in the pits. Once these results are in, Greka will make a determination on what to do next. Victor gave the following options, but didn't confirm anything, stating it is up to management after lab results are received:
  - Mix with clean dirt and use as berms throughout their facilities
  - Compliant disposal of contaminated soil
  - If allowed, send material to Blochman

I informed Victor that either Sage or myself would be back out on Monday (03/20/17) to confirm the status of the pits.

Completed by	Michael McKay	Date	03/17/2017
Reviewed by	Eric Kett	Date	04/05/2017



Above: East Pit on 03/17/2017



Above: West Pit on 03/17/2017

Section 5.t



**Inspection Report  
ENF - 11**

Santa Barbara County Air Pollution Control District  
260-A N San Antonio Rd, Santa Barbara, CA 93110

Inspection Information						
Inspector	Michael McKay	Date	03/20/2017	Time	10:00	10:30
Category	Permitted Facility	Type	Surveillance	Announced	No	
Violation(s) #	Rule(s)					
	No violations found.					
General Information						
SSID	08678	FID	04008	Inspection #	48048	
Permit(s)	Reeval 07307 R10					
Facility	Greka - Los Flores Lease					
Company	Greka Oil & Gas					
Contact	Jeanette Boyer	Telephone #	(805) 357-2933			
Facility Address						
City		State		Zip		
Comments						
<p>I spoke with Jeanette Boyer around 09:00 and informed her that Sage Swain and I would be visiting the Los Flores lease around 10:00 to document Greka's progress on the pits. She told me that nobody would be able to meet us there, but Alejandro Pinon said he was fine with us going on our own.</p> <p>When we arrived, I was able to determine the pits were at the exact same level today (03/20/17) as they were on Friday (03/17/17). The 03/17/17 visit is documented in Inspection #48046.</p> <p>Pictures of both visits can be found in the below folder:                  \\sbcapcd.org\shares\Groups\ENGR\Compliance\Permitted Facilities\FID 04008 Greka - Las Flores Lease                  \Correspondence</p>						
Completed by	Michael McKay	Date	03/20/2017			
Reviewd by	Eric Kett	Date	04/05/2017			



Above: East Pit on 03/20/2017



Above: West Pit on 03/20/2017

## Section 5.u



## Inspection Report ENF - 11

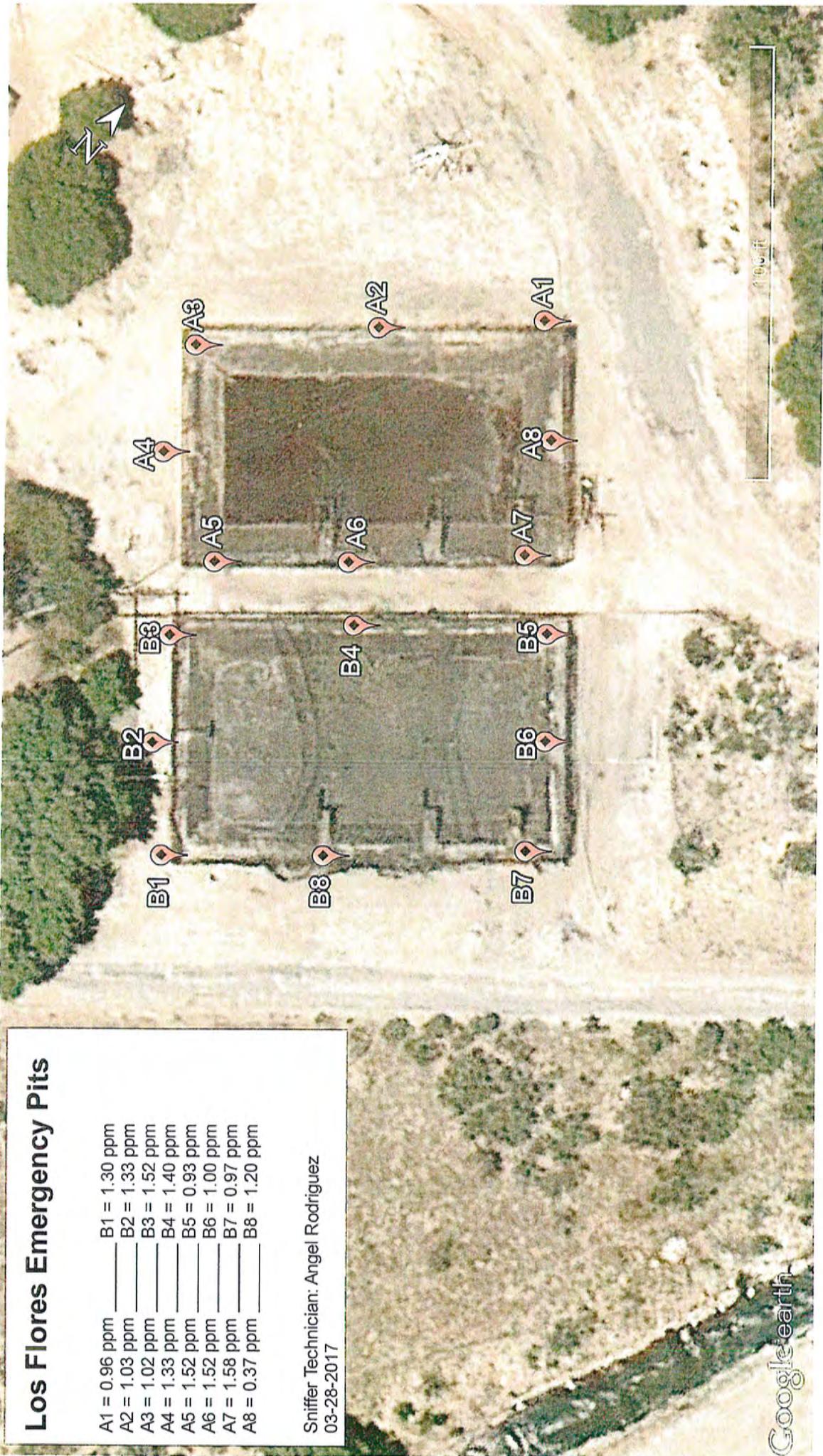
Santa Barbara County Air Pollution Control District  
260-A N San Antonio Rd, Santa Barbara, CA 93110

Inspection Information						
Inspector	Michael McKay	Date	03/30/2017	Time	11:15	12:00
Category	Permitted Facility	Type	Surveillance	Announced	No	
Violation(s) #	Rule(s)					
	No violations found.					
General Information						
SSID	08678	FID	04008	Inspection #	48092	
Permit(s)	Reeval 07307 R10					
Facility	Greka - Los Flores Lease					
Company	Greka Oil & Gas					
Contact	Jeanette Boyer	Telephone #	(805) 357-2933			
Facility Address						
City		State		Zip		
Comments						
<p>The District received a call from Jeanette Boyer on 03/29/17, requesting someone meet a Greka employee at the Los Flores lease at 11:30 on 03/30/17 to discuss the ongoing pit issue.</p> <p>I arrived a few minutes before 11:30 on 03/30/17 and was met by Victor Mayorga (lease foreman) and John Mata (County Fire inspector). They were there on an unrelated matter but John decided he wanted to wait around and see what my business was about. At 11:30, Ms. Boyer and Alejandro Pinion (Production Foreman) showed up. As you can see in attachments 1 (west pit) &amp; 2 (east pit), both pits still have material in them.</p> <p>I was informed by Alejandro Pinion that the water will be removed via vacuum truck tonight (03/30/17).</p> <p>Ms. Boyer then gave me attachment 3. I informed her that this was fine, but told her the TVA readings were not relevant to the current compliance issues with the pits.</p> <p>I reiterated to Ms. Boyer that emptying both pits as soon as possible would be in their best interest. I also confirmed that either myself or Sage Swain would be back on Tuesday (04/04/17) to check the progress of their work.</p> <p>I thanked them for meeting with me and I left the facility soon thereafter.</p>						
Completed by	Michael McKay	Date	03/30/2017			
Reviewd by	Eric Kett	Date	04/05/2017			

## Los Flores Emergency Pits

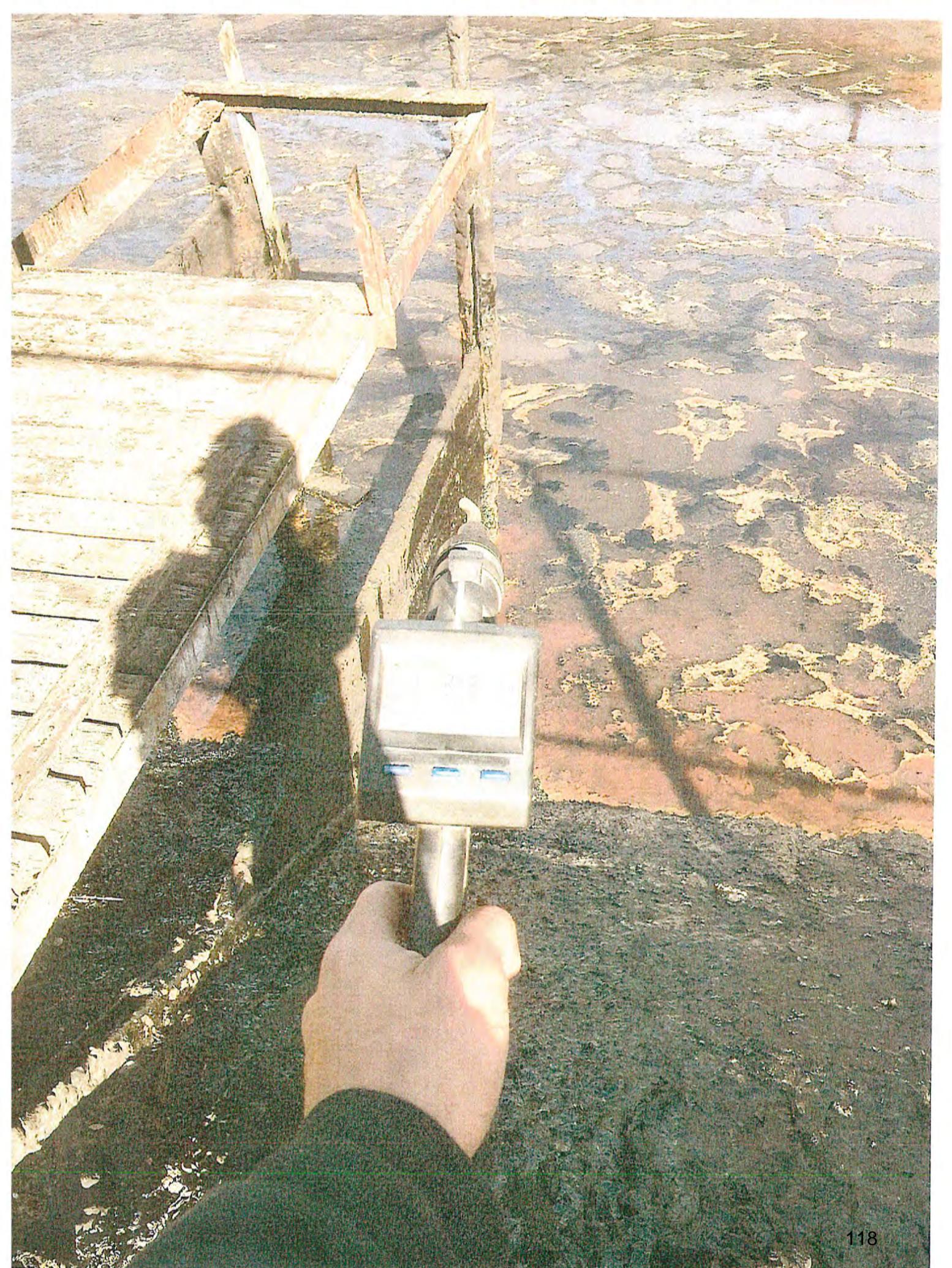
A1 = 0.96 ppm	B1 = 1.30 ppm
A2 = 1.03 ppm	B2 = 1.33 ppm
A3 = 1.02 ppm	B3 = 1.52 ppm
A4 = 1.33 ppm	B4 = 1.40 ppm
A5 = 1.52 ppm	B5 = 0.93 ppm
A6 = 1.52 ppm	B6 = 1.00 ppm
A7 = 1.58 ppm	B7 = 0.97 ppm
A8 = 0.37 ppm	B8 = 1.20 ppm

Sniffer Technician: Angel Rodriguez  
03-28-2017



Google Earth

















Above: East Pit on 03/30/2017



Above: West Pit on 03/30/2017

**Kaitlin E. McNally**

---

**From:** Jeanette Boyer <jmb@greka.com>  
**Sent:** Thursday, March 30, 2017 3:46 PM  
**To:** Kaitlin E. McNally  
**Cc:** Aeron Arlin Genet; Michael F. Goldman; Eric Kett; wdillon@co.santa-Barbara.ca.us; Alex Dimitrijevic; Alejandro Pinon; Susan Whalen  
**Subject:** Greka Los Flores NOV 10944 re Emergency Pits  
**Attachments:** Los Flores NOV 10944 Emergency Pits Ltr-APCD 3-30-17.pdf

**Follow Up Flag:** Follow up  
**Flag Status:** Completed

Ms. McNally,

Reference is made to the attached letter.

Regards,



*Jeanette Boyer*  
*Director of Compliance*  
Phone: (805) 357-2933  
Mobile: (805) 310-9871



*Transmitted via email*

March 30, 2017

Ms. Kaitlin McNally, Manager, Compliance Division  
Santa Barbara County Air Pollution Control District  
260 North San Antonio Road, Suite A  
Santa Barbara, CA 93110

RE: Los Flores, NOV #10944 re Emergency Pits

Dear Ms. McNally:

This letter is in response to your letter dated February 23, 2017 and most recently today's re-inspection that was requested by Greka Oil & Gas ("Greka"), since Greka removed the liquids from the emergency pits in compliance with Rule 344 and there are no excess emission readings from the solids that remain.

Greka called for the re-inspection so that the District would (a) verify that the emergency pits were emptied and (b) close the subject NOV. However, the District inspector at today's re-inspection relayed to Greka that impacted soils cannot remain in the pits and that it does not matter that the soils have no emissions.<sup>1</sup> Greka takes issue with this matter on several grounds.

First, the NOV was issued on the basis that (A) the pits were storing petroleum product beyond 30 days in one year pursuant to Rule 344 B.3.b. and that (B) such petroleum product was causing emissions prohibited by Rule 344.

- A. Petroleum product equates to liquids, not solids. See Rule 344 C. which provides that the definition of "Pit" means a basis for the purpose of which is collection of emergency or intermittent streams of **liquid** under normal operations" (emphasis added), and see further Rule 344 G.3. which refers to "... the **liquid** entering and the **liquid** existing the sump, the volume of **liquid** entering the sump..." (emphasis added) that support the interpretation and intent that Rule 344 applies to liquids. Therefore, there is no continuing violation for the solids to remain the pits.
- B. During today's re-inspection, copies of the photographs, site map sampling, and emission readings taken on March 28, 2017 by Greka's technician were given to the District's inspector with reference that the readings were below limits. An additional copy is enclosed. Rule 344 is intended to prohibit excess emissions and, because there are none related to the solids remaining in the pits, there is no continuing violation for the solids to remain in the pits.

---

<sup>1</sup> Greka is removing from the pits by April 3, 2017 an additional 1-2" of water pursuant to the District inspector's observations at today's re-inspection.

Second, even if the District disregards the above and enforces Rule 344 that effectively disallows the presence of impacted soils that create no harm to the environment, Greka should be given through June 2017 to comply with the NOV as agreed upon by the District's Engineering Supervisor in a meeting with Greka personnel on February 1, 2017. Shortly thereafter, your February 23, 2017 letter was issued that retracted the District's February 1, 2017 agreement and accelerated the compliance date from June 2017 to March 16, 2017. When asked why the abrupt retraction, you provided Greka with an explanation that Mr. Kett, the District's Engineering Supervisor, was not authorized to make such an agreement during the February 1, 2017 meeting. (see attached as Exhibit "A" your email of February 23, 2017 recapping your discussion with Greka)

Because Greka should be given through June 2017 to comply, seeking an Abatement Order at the Hearing Board in May is premature. This is especially true given Greka's good faith compliance following the February 2017 communications whereby Greka promptly, and practically daily from March 4 through March 21, 2017, caused up to (2) vacuum trucks to be onsite full time removing 3-4 loads per day of liquids from the pits in order to comply with the NOV.

After considering the above, if the District still plans to proceed with seeking an Abatement Order at the May meeting of the District's Hearing Board, Greka requests that a meeting be scheduled as soon as possible at your offices with the following persons in order to address the agenda items below:

District Attendees

Aeron Genet Arlin  
Kaitlin McNally  
Michael Goldman  
Eric Kett  
William Dillon

Greka Attendees

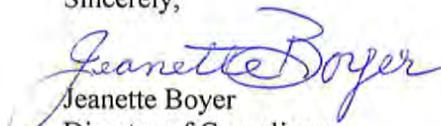
Alex Dimitrijevic  
Alejandro Pinon  
Jeanette Boyer  
Susan Whalen

Agenda

1. Rule 344 - solids vs. liquids
2. Rule 344 - emissions
3. The discretion that you and Ms. Arlin exercised in retracting the District's February 1, 2017 agreement and in particular the Supervisor's determination of the appropriate enforcement action.
4. Beneficial Reuse approval of the RWQCB.
5. Abatement Order warning

I look forward to hearing from you in response.

Sincerely,

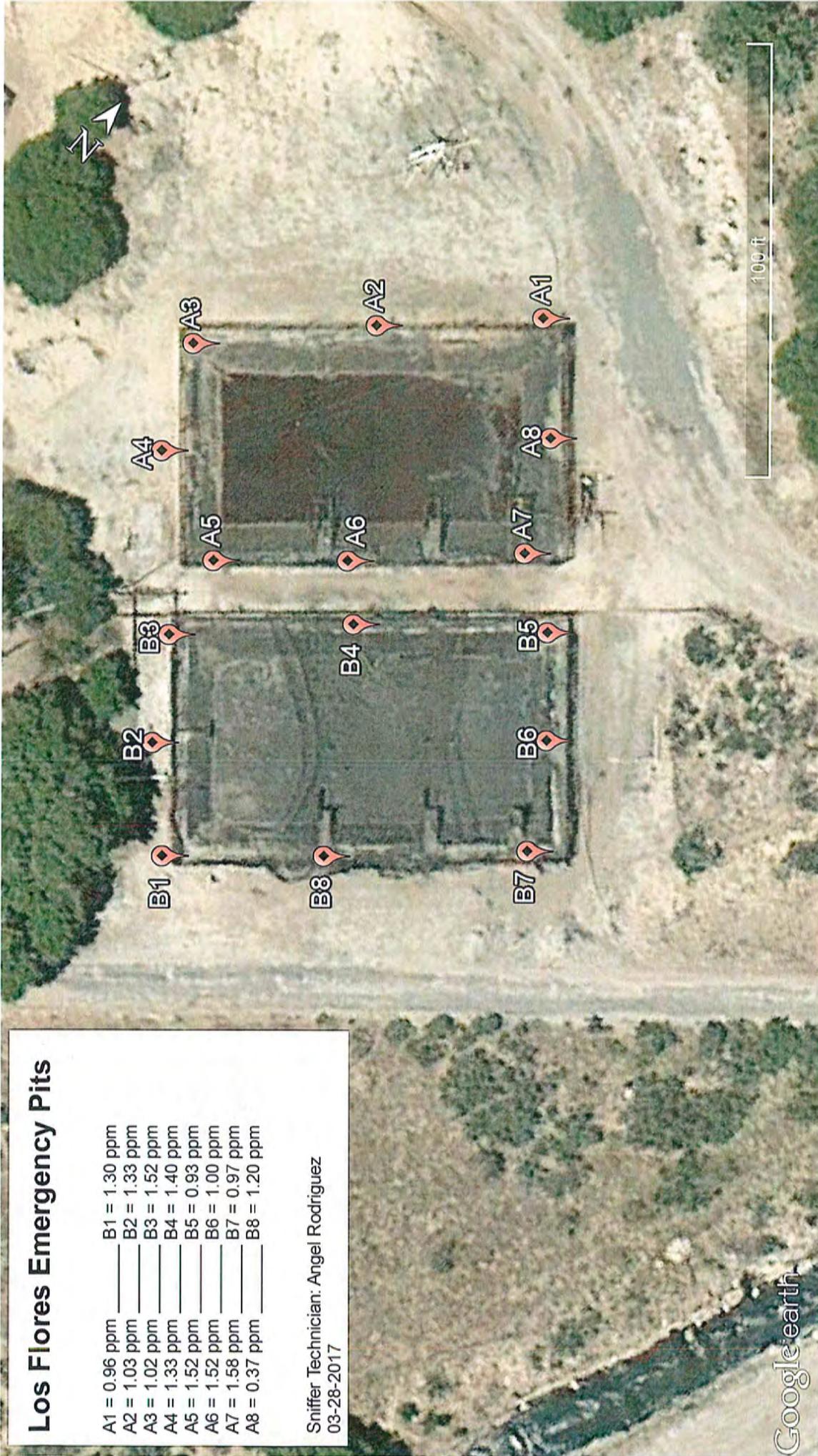
  
Jeanette Boyer  
Director of Compliance

cc: District (Ms. Arlin, Mr. Goldman, Mr. Kett, Mr. Dillon)  
Greka (Mr. Dimitrijevic, Mr. Pinon, Ms. Whalen)

## Los Flores Emergency Pits

A1 = 0.96 ppm	B1 = 1.30 ppm
A2 = 1.03 ppm	B2 = 1.33 ppm
A3 = 1.02 ppm	B3 = 1.52 ppm
A4 = 1.33 ppm	B4 = 1.40 ppm
A5 = 1.52 ppm	B5 = 0.93 ppm
A6 = 1.52 ppm	B6 = 1.00 ppm
A7 = 1.58 ppm	B7 = 0.97 ppm
A8 = 0.37 ppm	B8 = 1.20 ppm

Sniffer Technician: Angel Rodriguez  
03-28-2017







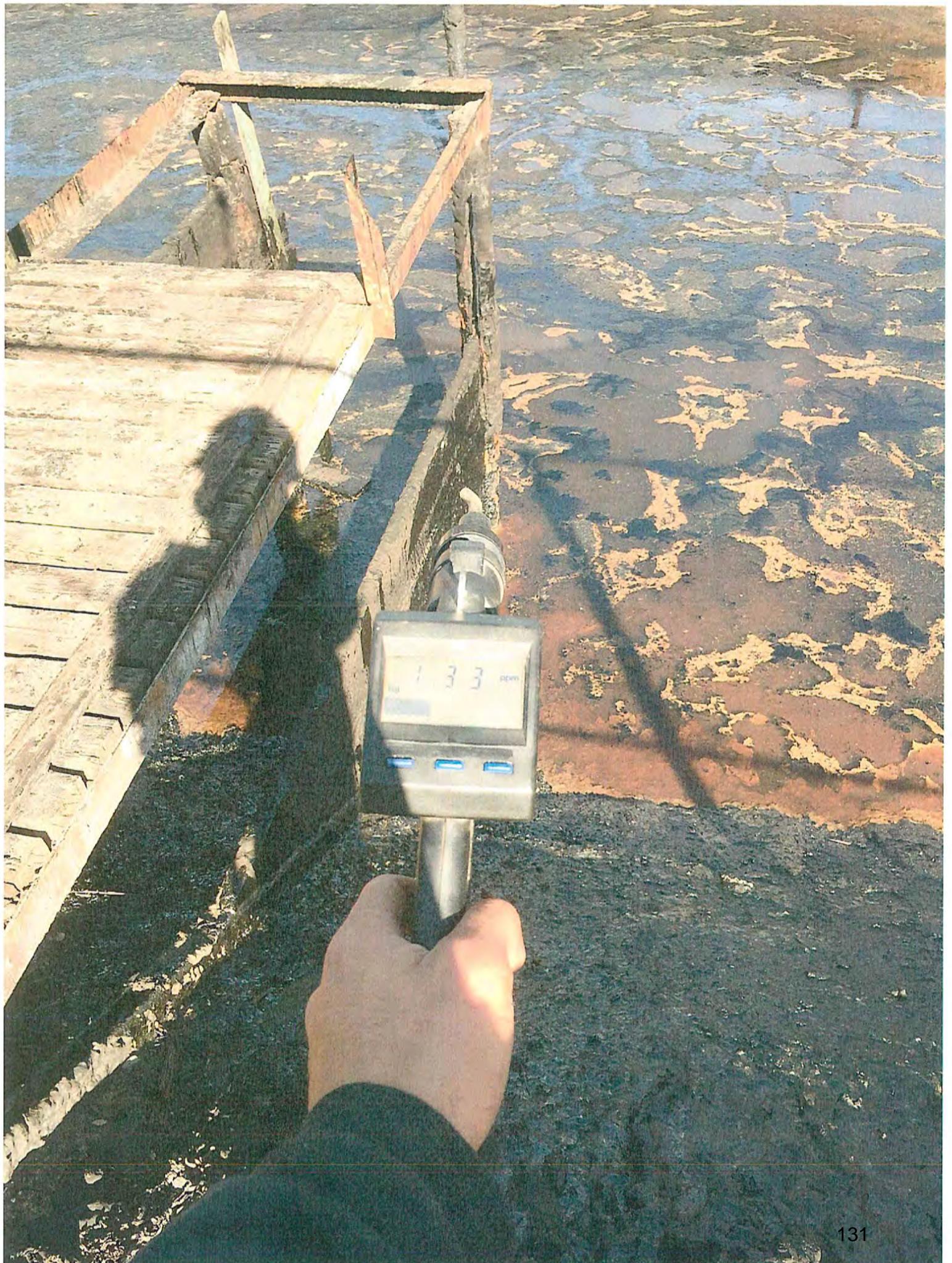










Exhibit "A" – Email of February 23, 2017

**Jeanette Boyer**

---

**From:** Kaitlin E. McNally <McNallyK@sbcapcd.org>  
**Sent:** Thursday, February 23, 2017 4:15 PM  
**To:** Jeanette M. Boyer  
**Subject:** Greka Los Flores Lease Emergency Pits Compliance  
**Attachments:** FID 4008-Abatement Order Warning.pdf

**Importance:** High

Jeanette,

Please see the attached letter regarding Abatement Order warning for NOV 10944 for emergency pits at the Los Flores Lease. As I informed you during our phone call today, the attached letter differs from the discussions that took place during a meeting on February 1, 2017 between Greka and Eric Kett, because those discussions were not authorized. If you would like to discuss further, please contact me at (805) 961-8855 or by email.

Sincerely,

Kaitlin

Kaitlin McNally, Manager  
Compliance Division  
Santa Barbara County Air Pollution Control District  
(805) 961-8855  
[www.ourair.org](http://www.ourair.org)  
[twitter.com/OurAirSBC](https://twitter.com/OurAirSBC)

**Kaitlin E. McNally**

---

**From:** Kaitlin E. McNally  
**Sent:** Friday, April 7, 2017 4:51 PM  
**To:** 'Jeanette Boyer'  
**Cc:** Aeron Arlin Genet; Michael F. Goldman; Eric Kett; 'wdillon@co.santa-Barbara.ca.us'; 'Alex Dimitrijevic'; 'Alejandro Pinon'; 'Susan Whalen'  
**Subject:** RE: Greka Los Flores NOV 10944 re Emergency Pits  
**Attachments:** Acceptable Empty Pit.jpg; Not Empty Pit.jpg

Jeanette,

In response to your letter, my findings are that compliance has not yet been achieved for NOV #10944. The photos you provided and recent District inspections of the Los Flores Lease emergency pits show the pits are still storing liquid material containing petroleum products (evidenced by the oily sheen on the top of the liquid). The pits are still required to be emptied completely. I have attached a photo example of an acceptable empty pit and a photo example of a pit that we would not accept as empty. These were also provided to you in an email dated March 13, 2017.

In response to your request for additional time, I will postpone submitting the Abatement Order petition until June 1, 2017. This means the petition will be heard at the July 5, 2017 Hearing Board meeting. Please note the District has already begun and will continue processing the abatement order. As specified in the February 23 letter, pursuant to Rule 210.IV.C, Greka has been and will continue to be assessed fees to recover all District costs associated with the preparation, issuance, and implementation of the abatement order. I encourage you to empty the pits as soon as possible because as soon as compliance is confirmed by the District, we will immediately stop processing the abatement order and stop assessing additional fees associated with the abatement order.

After Greka has returned to compliance the District will send a separate Mutual Settlement letter. Please note that each and every day, or portion thereof, that this violation exists will be considered a separate offense and will be accounted for when determining the total penalty for this violation. Civil penalties will be applied up to \$25,000 per day for each day the violation occurs.

Sincerely,

Kaitlin

Kaitlin McNally, Manager  
Compliance Division  
Santa Barbara County Air Pollution Control District  
(805) 961-8855  
[www.ourair.org](http://www.ourair.org)  
[twitter.com/OurAirSBC](https://twitter.com/OurAirSBC)

---

**From:** Kaitlin E. McNally  
**Sent:** Monday, April 3, 2017 1:07 PM  
**To:** 'Jeanette Boyer' <jmb@greka.com>  
**Cc:** Aeron Arlin Genet <aarlingenet@sbcapcd.org>; Michael F. Goldman <goldmanm@sbcapcd.org>; Eric Kett <KettE@sbcapcd.org>; wdillon@co.santa-Barbara.ca.us; Alex Dimitrijevic <agd@greka.com>; Alejandro Pinon <asp@greka.com>; Susan Whalen <smw@greka.com>  
**Subject:** RE: Greka Los Flores NOV 10944 re Emergency Pits

Jeanette,

Thank you for the email. I will review and get back to you regarding your meeting request.

Sincerely,

Kaitlin

Kaitlin McNally, Manager  
Compliance Division  
Santa Barbara County Air Pollution Control District  
(805) 961-8855  
[www.ourair.org](http://www.ourair.org)  
[twitter.com/OurAirSBC](https://twitter.com/OurAirSBC)

---

**From:** Jeanette Boyer [<mailto:jmb@greka.com>]  
**Sent:** Thursday, March 30, 2017 3:46 PM  
**To:** Kaitlin E. McNally <[McNallyK@sbcapcd.org](mailto:McNallyK@sbcapcd.org)>  
**Cc:** Aeron Arlin Genet <[AArlinGenet@sbcapcd.org](mailto:AArlinGenet@sbcapcd.org)>; Michael F. Goldman <[goldmanm@sbcapcd.org](mailto:goldmanm@sbcapcd.org)>; Eric Kett <[KettE@sbcapcd.org](mailto:KettE@sbcapcd.org)>; [wdillon@co.santa-Barbara.ca.us](mailto:wdillon@co.santa-Barbara.ca.us); Alex Dimitrijevic <[agd@greka.com](mailto:agd@greka.com)>; Alejandro Pinon <[asp@greka.com](mailto:asp@greka.com)>; Susan Whalen <[smw@greka.com](mailto:smw@greka.com)>  
**Subject:** Greka Los Flores NOV 10944 re Emergency Pits

Ms. McNally,

Reference is made to the attached letter.

Regards,



*Jeanette Boyer*  
*Director of Compliance*  
Phone: (805) 357-2933  
Mobile: (805) 310-9871

Acceptable Empty Pit



Not Empty Pit



## Section 5.x



## Inspection Report ENF - 11

Santa Barbara County Air Pollution Control District  
260-A N San Antonio Rd, Santa Barbara, CA 93110

Inspection Information						
Inspector	Michael McKay	Date	04/21/2017	Time	09:45	10:30
Category	Permitted Facility	Type	Surveillance	Announced	No	
Violation(s) #						
Rule(s)						
No violations found.						
General Information						
SSID	08678	FID	04008	Inspection #	48173	
Permit(s)	Reeval 07307 R10					
Facility	Greka - Los Flores Lease					
Company	Greka Oil & Gas					
Contact	Jeanette Boyer	Telephone #	(805) 357-2933			
Facility Address						
City		State		Zip		
Comments						
<p>On 04/20/17, Jeanette Boyer requested a 10:00am re-inspection of the Los Flores Pits on 04/21/17. I was able to meet Ms. Boyer and Alejandro Pinon at the pit location to document Greka's progress on emptying the pits.</p> <p>When I arrived, I was able to determine the pits appeared to be at the same level today (04/21/17) as they were on Thursday (03/30/17).</p> <p>Pictures of all the recent visits can be found in the folder below:            \\sbcapcd.org\shares\Groups\ENGR\Compliance\Permitted Facilities\FID 04008 Greka - Las Flores Lease            \Correspondence</p>						
Completed by	Michael McKay	Date	04/21/2017			
Reviewd by	Eric Kett	Date	05/11/2017			



Above: East Pit on 04/21/2017



Above: West Pit on 04/21/2017

## Kaitlin E. McNally

---

**From:** Kaitlin E. McNally  
**Sent:** Friday, April 21, 2017 3:25 PM  
**To:** 'Jeanette Boyer'; Susan Whalen  
**Cc:** 'Dillon, William'; Alex G. Dimitrijevic; Alejandro Pinon  
**Subject:** RE: Greka Los Flores NOV 10944 re Emergency Pits  
**Attachments:** 2017-04-21 Greka Los Flores Lease West Pit.jpg; 2017-04-21 Greka Los Flores Lease East Pit.jpg

Jeanette and Susan,

During our meeting on Tuesday, 4/18/17 you stated that the Los Flores Lease pits were emptied of petroleum product liquids. This morning Inspector Mike McKay inspected the Los Flores Lease pits to confirm this and documented that the pits are still storing liquid material containing petroleum products. Please see the attached photos of the east and west pits from today's inspection.

Based on today's findings, compliance has not yet been achieved for NOV #10944 and won't be achieved until the liquid material containing petroleum products is completely removed. The District will continue processing the abatement order in order to have it ready for submittal of the petition on June 1, 2017. As specified in the February 23 letter, pursuant to Rule 210.IV.C, Greka has been and will continue to be assessed fees to recover all District costs associated with the preparation, issuance, and implementation of the abatement order.

I again encourage you to empty the pits as soon as possible because as soon as compliance is confirmed by the District, we will immediately stop processing the abatement order and stop assessing additional fees associated with the abatement order.

Sincerely,

Kaitlin

Kaitlin McNally, Manager  
Compliance Division  
Santa Barbara County Air Pollution Control District  
(805) 961-8855  
[www.ourair.org](http://www.ourair.org)  
[twitter.com/OurAirSBC](https://twitter.com/OurAirSBC)

---

**From:** Jeanette Boyer [mailto:jmb@greka.com]  
**Sent:** Thursday, April 20, 2017 2:36 PM  
**To:** Kaitlin E. McNally <McNallyK@sbcapcd.org>  
**Cc:** 'Dillon, William' <Wdillon@co.santa-barbara.ca.us>; Alex G. Dimitrijevic <agd@greka.com>; Alejandro Pinon <asp@greka.com>; Susan Whalen <SMW@greka.com>  
**Subject:** RE: Greka Los Flores NOV 10944 re Emergency Pits

Thank you



*Jeanette Boyer*  
*Director of Compliance*  
Phone: (805) 357-2933  
Mobile: (805) 310-9871

---

**From:** Kaitlin E. McNally [<mailto:McNallyK@sbcapcd.org>]  
**Sent:** Thursday, April 20, 2017 2:14 PM  
**To:** Jeanette Boyer  
**Cc:** 'Dillon, William'; Alex G. Dimitrijevic; Alejandro Pinon; Susan Whalen  
**Subject:** RE: Greka Los Flores NOV 10944 re Emergency Pits

Jeanette,

Thank you for following up. The proposed date and time works for us. Our inspector will meet you at the Los Flores Lease tomorrow at 10 am.

Sincerely,

Kaitlin

Kaitlin McNally, Manager  
Compliance Division  
Santa Barbara County Air Pollution Control District  
(805) 961-8855  
[www.ourair.org](http://www.ourair.org)  
[twitter.com/OurAirSBC](https://twitter.com/OurAirSBC)

---

**From:** Jeanette Boyer [<mailto:jmb@greka.com>]  
**Sent:** Thursday, April 20, 2017 11:13 AM  
**To:** Kaitlin E. McNally <[McNallyK@sbcapcd.org](mailto:McNallyK@sbcapcd.org)>  
**Cc:** 'Dillon, William' <[Wdillon@co.santa-barbara.ca.us](mailto:Wdillon@co.santa-barbara.ca.us)>; Alex G. Dimitrijevic <[agd@greka.com](mailto:agd@greka.com)>; Alejandro Pinon <[asp@greka.com](mailto:asp@greka.com)>; Susan Whalen <[SMW@greka.com](mailto:SMW@greka.com)>  
**Subject:** RE: Greka Los Flores NOV 10944 re Emergency Pits

Kaitlin,

Thank you for meeting with Susan and I. As a follow-up to our meeting; Alejandro Pinon/General Manager and I are available Friday, April 21, 2017 at 10:00a.m. for a re-inspection of the Los Flores Pits. Please confirm if the requested date and time is available to meet with your APCD Inspector.

Regards,



*Jeanette Boyer*  
*Director of Compliance*  
Phone: (805) 357-2933  
Mobile: (805) 310-9871

---

**From:** Kaitlin E. McNally [<mailto:McNallyK@sbcapcd.org>]  
**Sent:** Thursday, April 13, 2017 10:56 AM  
**To:** Jeanette Boyer  
**Cc:** 'Dillon, William'; Alex G. Dimitrijevic; Alejandro Pinon; Susan Whalen  
**Subject:** RE: Greka Los Flores NOV 10944 re Emergency Pits

Jeanette,

Thank you for the response. Bill Dillon and I will be attending the meeting.

Sincerely,

Kaitlin

Kaitlin McNally, Manager  
Compliance Division  
Santa Barbara County Air Pollution Control District  
(805) 961-8855  
[www.ourair.org](http://www.ourair.org)  
[twitter.com/OurAirSBC](https://twitter.com/OurAirSBC)

---

**From:** Jeanette Boyer [<mailto:jmb@greka.com>]  
**Sent:** Thursday, April 13, 2017 9:51 AM  
**To:** Kaitlin E. McNally <[McNallyK@sbcapcd.org](mailto:McNallyK@sbcapcd.org)>  
**Cc:** 'Dillon, William' <[Wdillon@co.santa-barbara.ca.us](mailto:Wdillon@co.santa-barbara.ca.us)>; Alex G. Dimitrijevic <[agd@greka.com](mailto:agd@greka.com)>; Alejandro Pinon <[asp@greka.com](mailto:asp@greka.com)>; Susan Whalen <[SMW@greka.com](mailto:SMW@greka.com)>  
**Subject:** RE: Greka Los Flores NOV 10944 re Emergency Pits

Good morning Kaitlin,

Greka is available to meet at the APCD Santa Barbara office on Tuesday, April 18 at 3 pm. Please confirm APCD attendees by name.

Regards,



*Jeanette Boyer*

*Director of Compliance*  
Phone: (805) 357-2933  
Mobile: (805) 310-9871

---

**From:** Kaitlin E. McNally [<mailto:McNallyK@sbcapcd.org>]  
**Sent:** Wednesday, April 12, 2017 4:45 PM  
**To:** Jeanette Boyer; 'Alex Dimitrijevic'; 'Alejandro Pinon'; 'Susan Whalen'  
**Cc:** Dillon, William ([Wdillon@co.santa-barbara.ca.us](mailto:Wdillon@co.santa-barbara.ca.us))  
**Subject:** RE: Greka Los Flores NOV 10944 re Emergency Pits

All,

In response to the request to meet, we are available to meet at the APCD Santa Barbara office on Tuesday, April 18 at 3 pm. Does that work for you?

Sincerely,

Kaitlin

Kaitlin McNally, Manager  
Compliance Division  
Santa Barbara County Air Pollution Control District  
(805) 961-8855  
[www.ourair.org](http://www.ourair.org)  
[twitter.com/OurAirSBC](https://twitter.com/OurAirSBC)

---

**From:** Kaitlin E. McNally  
**Sent:** Monday, April 10, 2017 9:00 AM  
**To:** 'Jeanette Boyer' <[jmb@greka.com](mailto:jmb@greka.com)>  
**Subject:** RE: Greka Los Flores NOV 10944 re Emergency Pits

Jeanette,

I forgot to mention that I am available to meet this week, if you would like to discuss further.

Sincerely,

Kaitlin

Kaitlin McNally, Manager  
Compliance Division  
Santa Barbara County Air Pollution Control District  
(805) 961-8855  
[www.ourair.org](http://www.ourair.org)  
[twitter.com/OurAirSBC](https://twitter.com/OurAirSBC)

---

**From:** Kaitlin E. McNally  
**Sent:** Friday, April 7, 2017 4:51 PM  
**To:** 'Jeanette Boyer' <[jmb@greka.com](mailto:jmb@greka.com)>  
**Cc:** Aeron Arlin Genet <[aarlingenet@sbcapcd.org](mailto:aarlingenet@sbcapcd.org)>; Michael F. Goldman <[goldmanm@sbcapcd.org](mailto:goldmanm@sbcapcd.org)>; Eric Kett <[KettE@sbcapcd.org](mailto:KettE@sbcapcd.org)>; 'wdillon@co.santa-Barbara.ca.us' <[wdillon@co.santa-Barbara.ca.us](mailto:wdillon@co.santa-Barbara.ca.us)>; 'Alex Dimitrijevic'

<[agd@greka.com](mailto:agd@greka.com)>; 'Alejandro Pinon' <[asp@greka.com](mailto:asp@greka.com)>; 'Susan Whalen' <[smw@greka.com](mailto:smw@greka.com)>

**Subject:** RE: Greka Los Flores NOV 10944 re Emergency Pits

Jeanette,

In response to your letter, my findings are that compliance has not yet been achieved for NOV #10944. The photos you provided and recent District inspections of the Los Flores Lease emergency pits show the pits are still storing liquid material containing petroleum products (evidenced by the oily sheen on the top of the liquid). The pits are still required to be emptied completely. I have attached a photo example of an acceptable empty pit and a photo example of a pit that we would not accept as empty. These were also provided to you in an email dated March 13, 2017.

In response to your request for additional time, I will postpone submitting the Abatement Order petition until June 1, 2017. This means the petition will be heard at the July 5, 2017 Hearing Board meeting. Please note the District has already begun and will continue processing the abatement order. As specified in the February 23 letter, pursuant to Rule 210.IV.C, Greka has been and will continue to be assessed fees to recover all District costs associated with the preparation, issuance, and implementation of the abatement order. I encourage you to empty the pits as soon as possible because as soon as compliance is confirmed by the District, we will immediately stop processing the abatement order and stop assessing additional fees associated with the abatement order.

After Greka has returned to compliance the District will send a separate Mutual Settlement letter. Please note that each and every day, or portion thereof, that this violation exists will be considered a separate offense and will be accounted for when determining the total penalty for this violation. Civil penalties will be applied up to \$25,000 per day for each day the violation occurs.

Sincerely,

Kaitlin

Kaitlin McNally, Manager  
Compliance Division  
Santa Barbara County Air Pollution Control District  
(805) 961-8855  
[www.ourair.org](http://www.ourair.org)  
[twitter.com/OurAirSBC](https://twitter.com/OurAirSBC)

---

**From:** Kaitlin E. McNally

**Sent:** Monday, April 3, 2017 1:07 PM

**To:** 'Jeanette Boyer' <[jmb@greka.com](mailto:jmb@greka.com)>

**Cc:** Aeron Arlin Genet <[aarlingenet@sbcapcd.org](mailto:aarlingenet@sbcapcd.org)>; Michael F. Goldman <[goldmanm@sbcapcd.org](mailto:goldmanm@sbcapcd.org)>; Eric Kett <[KettE@sbcapcd.org](mailto:KettE@sbcapcd.org)>; [w Dillon@co.santa-Barbara.ca.us](mailto:w Dillon@co.santa-Barbara.ca.us); Alex Dimitrijevic <[agd@greka.com](mailto:agd@greka.com)>; Alejandro Pinon <[asp@greka.com](mailto:asp@greka.com)>; Susan Whalen <[smw@greka.com](mailto:smw@greka.com)>

**Subject:** RE: Greka Los Flores NOV 10944 re Emergency Pits

Jeanette,

Thank you for the email. I will review and get back to you regarding your meeting request.

Sincerely,

Kaitlin

Kaitlin McNally, Manager  
Compliance Division  
Santa Barbara County Air Pollution Control District  
(805) 961-8855  
[www.ourair.org](http://www.ourair.org)  
[twitter.com/OurAirSBC](https://twitter.com/OurAirSBC)

---

**From:** Jeanette Boyer [<mailto:jmb@greka.com>]  
**Sent:** Thursday, March 30, 2017 3:46 PM  
**To:** Kaitlin E. McNally <[McNallyK@sbcapcd.org](mailto:McNallyK@sbcapcd.org)>  
**Cc:** Aeron Arlin Genet <[AArlinGenet@sbcapcd.org](mailto:AArlinGenet@sbcapcd.org)>; Michael F. Goldman <[goldmanm@sbcapcd.org](mailto:goldmanm@sbcapcd.org)>; Eric Kett <[KettE@sbcapcd.org](mailto:KettE@sbcapcd.org)>; [w Dillon@co.santa-Barbara.ca.us](mailto:w Dillon@co.santa-Barbara.ca.us); Alex Dimitrijevic <[agd@greka.com](mailto:agd@greka.com)>; Alejandro Pinon <[asp@greka.com](mailto:asp@greka.com)>; Susan Whalen <[smw@greka.com](mailto:smw@greka.com)>  
**Subject:** Greka Los Flores NOV 10944 re Emergency Pits

Ms. McNally,

Reference is made to the attached letter.

Regards,



*Jeanette Boyer*  
*Director of Compliance*  
Phone: (805) 357-2933  
Mobile: (805) 310-9871



Attachment: 2017-04-21 Greka Los Flores Lease West Pit

Attachment: 2017-04-21 Greka Los Flores Lease East Pit



Section 5.y



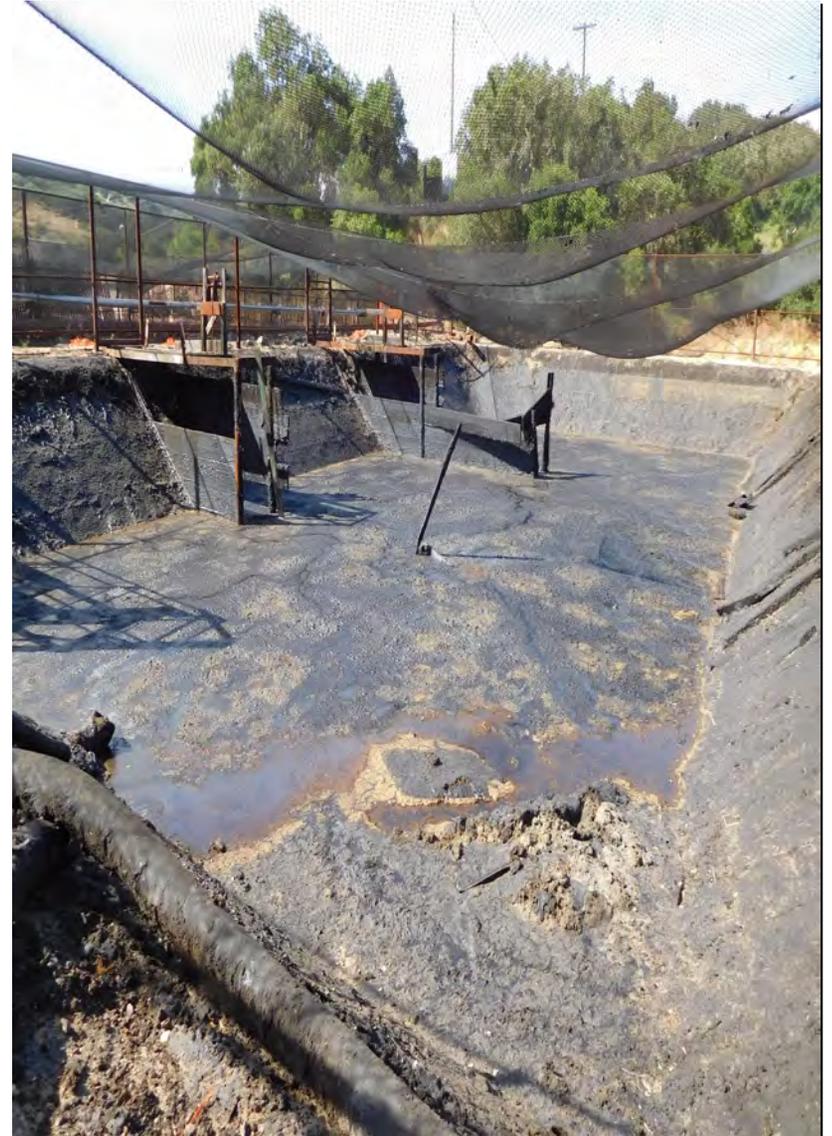
**Inspection Report  
ENF - 11**

Santa Barbara County Air Pollution Control District  
260-A N San Antonio Rd, Santa Barbara, CA 93110

Inspection Information						
Inspector	Michael McKay	Date	04/26/2017	Time	09:15	09:45
Category	Surveillance	Type	Surveillance	Announced	Yes	
Violation(s) #	Rule(s)					
	No violations found.					
General Information						
SSID	08678	FID	04008	Inspection #	48175	
Permit(s)	Reeval 07307 R10					
Facility	Greka - Los Flores Lease					
Company	Greka Oil & Gas					
Contact	Jeanette Boyer	Telephone #	(805) 357-2933			
Facility Address						
City		State		Zip		
Comments						
<p>On 04/25/17, Jeanette Boyer called me to request a re-inspection of the Los Flores Pits on 04/26/17. Sage Swain and I were able to meet with Angel Lopez and Victor Mayorga at the pit location to document Greka's progress on emptying the pits.</p> <p>When we arrived, we were able to determine the pits still contained both solids and liquids.</p> <p>Pictures from this visit can be found in the inspection folder:                  \\sbcapcd.org\shares\Groups\ENGR\Compliance\Permitted Facilities\FID 04008 Greka - Las Flores Lease                  \Inspection Reports\2017-04-26</p> <p>Pictures of all the recent visits can be found here:                  \\sbcapcd.org\shares\Groups\ENGR\Compliance\Permitted Facilities\FID 04008 Greka - Las Flores Lease                  \Correspondence</p>						
Completed by	Michael McKay	Date	05/01/2017			
Reviewd by	Eric Kett	Date	05/11/2017			



Above: East Pit on 04/26/2017



Above: West Pit on 04/26/2017

Section 5.z



**Inspection Report  
ENF - 11**

Santa Barbara County Air Pollution Control District  
260-A N San Antonio Rd, Santa Barbara, CA 93110

Inspection Information						
Inspector	Michael McKay	Date	05/16/2017	Time	10:15	10:45
Category	Surveillance	Type	Surveillance	Announced	Yes	
Violation(s) #	Rule(s)					
	No violations found.					
General Information						
SSID	08678	FID	04008	Inspection #	48232	
Permit(s)	Reeval 07307 R10					
Facility	Greka - Los Flores Lease					
Company	Greka Oil & Gas					
Contact	Jeanette Boyer		Telephone #	(805) 357-2933		
Facility Address						
City		State		Zip		
Comments						
<p>Sage Swain and I met with Angel Lopez at the Bell Lease Compressor Plant on an unrelated matter. After we wrapped up, we asked Angel if he could take us to the Los Flores pits to document Greka's progress on emptying the pits.</p> <p>When we arrived, we were able to determine the pits still contained both solids and liquids.</p> <p>Pictures from this visit can be found in the inspection folder:                  \\sbcapcd.org\shares\Groups\ENGR\Compliance\Permitted Facilities\FID 04008 Greka - Las Flores Lease                  \Inspection Reports\2017-05-16</p> <p>Pictures of all the recent visits can be found here:                  \\sbcapcd.org\shares\Groups\ENGR\Compliance\Permitted Facilities\FID 04008 Greka - Las Flores Lease                  \Correspondence</p>						
Completed by	Michael McKay			Date	05/16/2017	
Reviewd by	Eric Kett			Date	06/05/2017	



Above: East Pit on 05/16/2017



Above: West Pit on 05/16/2017

Section 5.a.a



**Inspection Report  
ENF - 11**

Santa Barbara County Air Pollution Control District  
260-A N San Antonio Rd, Santa Barbara, CA 93110

Inspection Information						
Inspector	Sage Swain	Date	06/28/2017	Time	08:15	10:00
Category	Permitted Facility		Type	Routine	Announced	Yes
Violation(s) #	Rule(s)					
	No violations found.					
General Information						
SSID	08678	FID	04008	Inspection #	48309	
Permit(s)	Reeval 07307 R10					
Facility	Greka - Los Flores Lease					
Company	Greka Oil & Gas					
Contact	Jeanette Boyer		Telephone #	(805) 357-2933		
Facility Address						
City		State		Zip		



## Inspection Report ENF - 11

Santa Barbara County Air Pollution Control District  
260-A N San Antonio Rd, Santa Barbara, CA 93110

### Comments

I was escorted to Greka Oil and Gas's (Greka) Los Flores lease by Greka employee Mike Carlson on 06/28/2017. The inspection of this oil and gas lease commenced at approximately 0815hrs.

The following equipment and areas were inspected for fugitive, hydrocarbon emissions with a Toxic Vapor Analyzer (TVA): vapor recovery unit, 1000 barrel produced water tank, 1000 barrel crude oil tank, gas scrubber, active wells 88-21, 75-21, 35-22, 65-21, idle wells 85-21, 102-21, 108-21, 2-21, 107-21, 78-21 and 26-22.

The hatch on the 1000 barrel produced water tank was found leaking hydrocarbons at a rate of 13,200ppm (see Attachment 1). This was noted by Mr. Carlson for future repair. The hatch on the 1000 barrel crude oil tank was leaking at 6,203ppm (see Attachment 2). This too was noted for future repair.

It should also be noted that the two emergency wastewater pits associated with Notice of Violation #10944 were still storing petroleum product at the time of this inspection.

No other deficiencies were noted during the inspection and we left the lease at approximately 1000hrs, concluding the inspection.

Greka's Director of Compliance Jeanette Boyer called me on 07/14/2017 and informed me that the leaking hatches were repaired on 06/29/2017. She also stated that the repairs were confirmed with Greka's TVA.

The calendar year 2016 annual report for this facility has yet to be submitted and this facility is in continuing violation for the omission.

TVA Calibration Data (calibrated per instrument instruction manual):

Date: 06/28/2017

Time: 0759hrs

Methane Counts: 2392947

Zero Air Counts: 4106

Detector Sensitivity: 238.9

Instrument Response when 10,000ppm of Methane was applied: 1%

Attachments:

Attachments 1-2: Inspection Photography

Attachment 3: DOGGR Well List

Attachment 4: Facility Tank Data Sheet

[\(Attachments 1-4 are not relevant to the Abatement Order and are not included\)](#)

Completed by	Sage Swain	Date	07/17/2017
Reviewd by	Eric Kett	Date	07/17/2017



Above: East Pit on 06/28/2017



Above: West Pit on 06/28/2017

Section 5.b.b



**Inspection Report  
ENF - 11**

Santa Barbara County Air Pollution Control District  
260-A N San Antonio Rd, Santa Barbara, CA 93110

Inspection Information						
Inspector	Sage Swain	Date	09/28/2017	Time	13:00	13:20
Category	Permitted Facility		Type	Other	Announced	Yes
Violation(s) #	Rule(s)					
	No violations found.					
General Information						
SSID	08678	FID	04008	Inspection #	48446	
Permit(s)	Reeval 07307 R10					
Facility	Greka - Los Flores Lease					
Company	Greka Oil & Gas					
Contact	Jeanette Boyer		Telephone #	(805) 357-2933		
Facility Address						
City		State		Zip		
Comments						
I arrived at Greka Oil and Gas's (Greka) Los Flores lease on 09/28/2017 at approximately 1300hrs. I was escorted by Greka's Production Foreman Victor Mayorga. I was there to check the compliance status of the Emergency Wastewater Pits as they relate to Notice of Violation #10944. The pits still contained petroleum product and remain in violation (see Attachment 1 and 2). I left the lease at approximately 1320hrs, concluding the inspection.						
Completed by	Sage Swain			Date	10/02/2017	
Reviewd by	Eric Kett			Date	10/31/2017	



Above: East Pit on 09/28/2017



Above: West Pit on 09/28/2017



## Inspection Report ENF - 11

Santa Barbara County Air Pollution Control District  
260-A N San Antonio Rd, Santa Barbara, CA 93110

Inspection Information						
Inspector	Sage Swain	Date	11/01/2017	Time	07:30	09:30
Category	Permitted Facility	Type	Other	Announced	Yes	
Violation(s) #	Rule(s)					
	No violations found.					
General Information						
SSID	08678	FID	04008	Inspection #	48475	
Permit(s)	Reeval 07307 R10					
Facility	Greka - Los Flores Lease					
Company	Greka Oil & Gas					
Contact	Jeanette Boyer	Telephone #	(805) 357-2933			
Facility Address						
City		State		Zip		
Comments						
<p>Santa Barbara County Air Pollution Control District inspector Mike McKay and I were tasked with escorting a California Air Resources Board (ARB) research team to various Greka Oil and Gas (Greka) leases. The research team wanted to visit leases that had wastewater pits/sumps that were in use. McKay coordinated with various Greka personnel to ensure that there was a Greka representative on-site during the testing. The testing was scheduled for 11/01/2017.</p> <p>McKay and I met the ARB research team at 0700hrs in the Albertsons parking lot off of McCoy St. in Santa Maria on 11/01/2017. The ARB research team was comprised of ARB employee Luis Leyva and ARB contracted scientists Chuck Schmidt, Tom Card and Josh Abbey.</p> <p>We arrived at Greka's Los Flores lease at approximately 0730hrs, where we met Greka Foreman Victor Mayorga. The research team set up and began their sampling. The team sampled air emissions on the surface of the eastern most wastewater pit with a "flux chamber." The team also took water samples to be analyzed at a later time. This was performed at all of the leases that we visited throughout the day. It should be noted that Greka remains in violation of District Rule 344 for storing petroleum product in an emergency wastewater pit for more than 30 days per year.</p> <p>We arrived at Greka's Blochman lease at 0942hrs, accompanied by Greka Foreman Victor Mayorga. The same process as mentioned above was performed.</p> <p>The next stop was Greka's Morganti lease. We arrived at 1141hrs and met lease Foreman Julio Corona at the lease. The same process was performed at this lease as well. It should be noted that Greka remains in violation of District Rule 344 for storing petroleum product in an emergency wastewater pit for more than 30 days per year.</p> <p>We arrived at Greka's Jim Hopkins lease at 1336hrs. We met Jorge Vargas the lease Foreman there. Two separate wastewater pits were sampled using the same procedure.</p> <p>The final lease on the list was Battles. We arrived at the lease escorted by Jorge Vargas at 1541hrs. McKay and I only had enough time to watch the team set up and we left the lease at approximately 1600hrs, concluding our day.</p>						



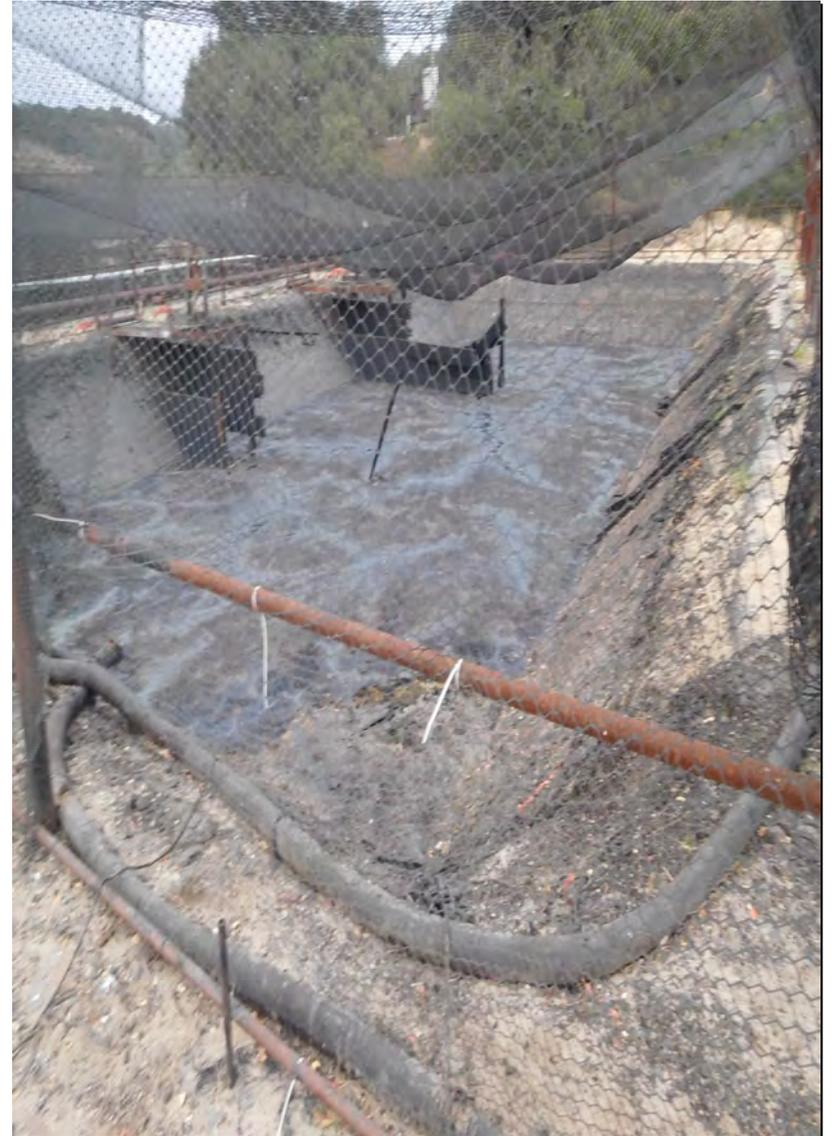
# Inspection Report ENF - 11

Santa Barbara County Air Pollution Control District  
260-A N San Antonio Rd, Santa Barbara, CA 93110

Completed by	Sage Swain	Date	11/08/2017
Reviewd by	Eric Kett	Date	01/10/2018



Above: East Pit on 11/01/2017



Above: West Pit on 11/01/2017



## Inspection Report ENF - 11

Santa Barbara County Air Pollution Control District  
260-A N San Antonio Rd, Santa Barbara, CA 93110

Inspection Information						
Inspector	Sage Swain	Date	12/13/2017	Time	13:00	14:15
Category	Permitted Facility	Type	Routine	Announced	No	
Violation(s) #	Rule(s)					
	No violations found.					
General Information						
SSID	08678	FID	04008	Inspection #	48536	
Permit(s)	Reeval 07307 R10					
Facility	Greka - Los Flores Lease					
Company	Greka Oil & Gas					
Contact	Jeanette Boyer	Telephone #	(805) 357-2933			
Facility Address						
City		State		Zip		
Comments						
<p>Santa Barbara County Air Pollution Control District (District) inspector Mike McKay and I were escorted to Greka Oil and Gas's (Greka) Los Flores lease on 12/13/2017. We were there for a routine inspection of this idle oil and gas lease. The inspection commenced at approximately 1300hrs.</p> <p>The following areas and equipment were inspected for fugitive, hydrocarbon emissions (leak(s)) with a Toxic Vapor Analyzer (TVA): idle wells 16-22, 13-22, 104-21, 86-21, 65-21- A-2-21, 75-21, 76-21, 77-21, 110-21 and 112-21. No fugitive hydrocarbons that would constitute a leak per District Rule 331 were discovered with the TVA.</p> <p>It should be noted that Greka remains in violation as the emergency wastewater pits still contained petroleum product and the 2016 annual reports remain outstanding.</p> <p>We left the lease at approximately 1415hrs, concluding the inspection.</p> <p>TVA Calibration Data (calibrated per instrument instruction manual):            Date: 12/13/2017            Time: 0800hrs            Methane Counts: 2449190            Zero Air Counts: 4020            Detector Sensitivity: 244.5            Instrument Response to 10,000ppm of Methane: 1%</p> <p>Attachments:            Attachment 1: DOGGR Well List            Attachment 2: Facility Tank Data Sheet  <a href="#">(Attachments 1 and 2 are not relevant to the Abatement Order and are not included)</a></p>						
Completed by	Sage Swain	Date	12/14/2017			
Reviewd by	Eric Kett	Date	01/10/2018			



Above: East Pit on 12/13/2017



Above: West Pit on 12/13/2017

**Sage H. Swain**

---

**From:** Sage H. Swain  
**Sent:** Wednesday, April 4, 2018 11:21 AM  
**To:** 'Jeanette Boyer'  
**Subject:** 04/04/2018 SBCAPCD continuing violations

Dear Ms. Boyer,

Below are the compliance issues that are still outstanding in regard to Greka Oil and Gas's (Greka) facilities as well as the Greka Refinery as of today 04/04/2018. Please provide an update on the status of these violations or compliance issues.

In reference to NOV #11189 issued to Greka on 06/06/2017 for violating Source Compliance Demonstration Period (SCDP) conditions of Authority To Construct (ATC) 14863 for the Union Sugar lease, please contact me to perform a District inspection so that I may review the as-built fugitive component leak path inventory associated with the project. Also, please submit for District approval a stationary source-wide Fugitive Inspection and Maintenance Inventory and submit a Permit To Operate application and the appropriate filing fee.

NOV #10944 was issued to Greka on 04/11/2016 for violating District Rule 344 B.3.b. by storing petroleum product for more than 30 days in one year in the emergency wastewater pits at the Los Flores lease. I confirmed that these pits were still in use on 11/01/2017. Please empty the pits and refrain from using them for the remainder of 2017 or comply with Sections D, E, F, and G.1 of Rule 344. In addition, please notify me when the pits are empty or when Sections D, E, F, and G.1 of Rule 344 have been implemented so that I can verify the pits' return to compliance.

NOV #11188 was issued to Greka on 06/07/2017 for violating District Rule 344 B.3.b. by storing petroleum product for more than 30 days in one year in the emergency wastewater pit at the Morganti lease. I confirmed that this pit was still in use on 11/01/2017. Please empty the pit and refrain from using it for the remainder of 2017 or comply with Sections D, E, F, and G.1 of Rule 344. In addition, please notify me when the pit is empty or when Sections D, E, F, and G.1 of Rule 344 have been implemented so that I can verify the pits return to compliance.

Also, I have not been able to close out Notice of Violation (NOV) #11197. This NOV was issued on 07/31/2017 for Greka's Kemp lease. The remaining compliance issues with the NOV are in regard to two portable sumps at the lease that do not have valid District PTOs. To close the remainder of the violation, either permit the two portable sumps, place them on a de minimus list or move them to an area where they would not be required to have a District permit. Again, please inform me when these actions are complete so that I may document the return to compliance.

NOV #11253 was issued to the Greka Refining Company on 10/30/2017 for two counts of violation of District Rule 201. The first count of violation of District Rule 201 resulted from having a Diesel Internal Combustion Engine (engine) that powers a generator at a stationary source without the benefit of a District permit. Please remove the engine from the refinery and be advised that any operation of the engine will constitute a violation of Section 93115.8 of the state's Airborne Toxic Control Measure. The second count of violation of District Rule 201 resulted from modifying the Low NOx burner used in the Seattle Boiler by replacing the Burner Element without the benefit of a District permit. In order to bring this piece of equipment back into compliance please submit a permit application along with the appropriate filing fees to the District as soon as possible. Please inform me when the generator is no longer onsite at the refinery and when the permit application and appropriate filing fee have been submitted to the District so I may document the return to compliance.

NOV #11260 was issued to Greka on 11/08/2017 for a violation of District Rule 342 at the Security Fee/Thomas lease for not testing Heater Treater 1 for compliance within 24 months. In order to bring this equipment back into compliance, please source test the Heater Treater as soon as possible. Please notify me as soon as the test is scheduled.

NOV #11334 was issued to the Greka Refining Company on 03/28/2018 for violations of District Rules 326 I.1 and multiple counts of violation of District Rule 342 G.1. District Rule 326 I.1 was violated for failing to perform secondary seal gap measurements for tank 40002 in calendar year 2017. In order to bring this count of violation into compliance please perform the seal gap measurements and submit the results to the District as soon as possible. If this tank is currently out of service, the gap measurements will need to be performed as soon as the tank is put back into service. District Rule 342 G.1 was violated for failing to perform biennial source testing on Crude Heater 1, Crude Heater 2, Crude Heater 3, Wicks Boiler, Muira Boiler 3 and Asphalt Heater 4 by the anniversary date which was February of 2018. Source tests were performed in 2017 on some of these combustion devices, however, these were make-up tests for failing to source test the units by February of 2016. In order to bring this violation back into compliance please follow the source test protocol in Permit to Operate 08259-R10 and source test these combustion units immediately.

Please update me when the above continuing violations and compliance issues have been resolved as each and every day, or portion thereof, where a violation exists may be considered a separate violation. Also, be advised that some of the issues, if not rectified in a timely manner, may result in future violations, suspension of your permits and/or abatement orders. If you have any questions or comments concerning this e-mail, please feel free to contact me. Please acknowledge the attached read receipt and if for some reason that is not delivered please send a reply e-mail stating that this e-mail was received. Thank you for your time.

Sincerely,

Sage H. Swain  
Inspection Specialist  
Santa Barbara County Air Pollution Control District  
[swains@sbcapcd.org](mailto:swains@sbcapcd.org)  
805-325-9494 Cell  
805-614-6791 Office

Region 3 Site No. 5

34.84257 -120.34104

Test Date 11/1/2017

Site Plan



Legend: Flux Chamber Sample (red circle)  
Water Quality Screening Sample (green circle)

Water Quality Field Data

Loc. #	Location Description	Time	Sample ID	Temp (oC)	pH	Salinity (mg/l)
1	Congeaed Oil	8:15	701	20.4	6.58	2,620
2	Oil/Aqueous	8:40	702	21.0	6.63	2,390

Surface Areas and Calculated Emissions

Surface	Length		Width		Area		TNMHC			Benzene		
	(ft)	(m)	(ft)	(m)	(ft2)	(m2)	(ug/m2-m	(ug/m)	(#/yr)	(ug/m2-m	(ug/m)	(#/yr)
East	80	24.4	50	15.2	4,000	372	532	197,589	229	2.54	945	1.09
West	80	24.4	50	15.2	4,000	372	532	197,589	229	2.54	945	1.09
						743		Total	458			2.2

Section 5.g.g



**Inspection Report  
ENF - 11**

Santa Barbara County Air Pollution Control District  
260-A N San Antonio Rd, Santa Barbara, CA 93110

Inspection Information						
Inspector	Sage Swain	Date	05/23/2018	Time	08:15	09:30
Category	Permitted Facility	Type	Routine	Announced	No	
Violation(s) #	Rule(s)					
11347	206 - Conditional Approval of ATC or PTO					
Violation(s) #	Rule(s)					
11347	331 - Fugitive Emissions Insp. and Maintenance					
General Information						
SSID	08678	FID	04008	Inspection #	48858	
Permit(s)	Reeval 07307 R10					
Facility	Greka - Los Flores Lease					
Company	Greka Oil & Gas					
Contact	Jeanette Boyer		Telephone #	(805) 357-2933		
Facility Address						
City		State		Zip		



## Inspection Report ENF - 11

Santa Barbara County Air Pollution Control District  
260-A N San Antonio Rd, Santa Barbara, CA 93110

### Comments

While reviewing the 2017 annual report for Greka Oil and Gas's (Greka) Los Flores lease it was noted that the quarterly hydrogen sulfide (H<sub>2</sub>S) measurements of the fuel gas required by Condition 5.f of Permit to Operate (PTO) 07307-R11 was only conducted in quarter four of 2017. In addition, the quarterly inspections of every accessible component using EPA Method 21 required by District Rule 331 F.1 was only conducted in quarter two of 2017.

I was escorted to the Los Flores lease on 05/23/2018 by Greka Production Forman Victor Mayorga. The inspection of this oil and gas lease commenced at approximately 0815hrs.

The following equipment and areas were inspected for fugitive, hydrocarbon emissions (leaks) with a Toxic Vapor Analyzer (TVA): idle wells 16-22, 104-21, 86-21, 110-21, 112-21, 78-21, 88-21, 107-21, 77-21, 75-21 and 35-22.

A leak was found emanating from a nipple on the flow line of idle well 77-21 at +50,000ppm (see Attachment 1). Mr. Mayorga removed the nipple and replaced it with a plug, abating the leak. The repair was confirmed with the TVA.

It should also be noted the two emergency wastewater pits that are the subject of Notice of Violation #10944 were found to be storing petroleum product and remain in violation (see Attachments 2 and 3)

No other deficiencies were noted during the inspection and I left the lease at approximately 0930hrs, concluding the inspection.

Notice of Violation #11347 was issued to Greka's Director of Compliance Jeanette Boyer on 06/04/2018. NOV #11347 documents violations of District Rules 206 and 331 F.1. Three counts of violation of District Rule 206 were found in the calendar year 2017 annual report for failing to measure the H<sub>2</sub>S content of the fuel gas in quarters one, two and three as required by Condition 5.f of Permit to Operate (PTO) 07307-R11. Three counts of violation of District Rule 331 F.1 were committed by failing to perform the quarterly inspections of each accessible component using EPA Method 21 in quarters one, three and four as reported in the calendar year 2017 annual report.

It is now 06/14/2018 and I have not received a NOV response from Greka and am forwarding this report along with the NOV to the District Mutual Settlement Officer for settlement.

TVA Calibration Data (calibrated per instrument instruction manual):

Date: 05/23/2017

Time: 0759hrs

Methane Counts: 2248102

Zero Air Counts: 4147

Detector Sensitivity: 224.4

Instrument Response to 10,000ppm of Methane: 1%

Attachments:

Attachments 1-3: Photo Documentation

Attachment 4: DOGGR Well List

Attachment 5: Facility Tank Data Sheet

[\(Attachments 1, 4 and 5 are not relevant to the Abatement Order and are not included\)](#)

Completed by	Sage Swain	Date	06/14/2018
Reviewed by	Eric Kett	Date	06/20/2018



Above: West Pit on 05/23/2018



Above: East Pit on 05/23/2018

**Kaitlin E. McNally**

---

**From:** Kaitlin E. McNally  
**Sent:** Wednesday, June 13, 2018 5:06 PM  
**To:** 'Jeanette M. Boyer'  
**Cc:** 'Richardson, Jennifer'; Eric Kett  
**Subject:** RE: Greka Los Flores Lease Emergency Pits Compliance  
**Attachments:** FID 4008-Abatement Order Warning.pdf

<b>Tracking:</b>	<b>Recipient</b>	<b>Delivery</b>
	'Jeanette M. Boyer'	
	'Richardson, Jennifer'	
	Eric Kett	Delivered: 6/13/2018 5:06 PM
	Aeron Arlin Genet	Delivered: 6/13/2018 5:06 PM
	Sage H. Swain	Delivered: 6/13/2018 5:06 PM
	Glenn G. Gazdecki	Delivered: 6/13/2018 5:06 PM

Jeanette,

The Los Flores Lease emergency pits are still in-use storing petroleum product and Notice of Violation (NOV) 10944 has not yet been complied with. Therefore the attached letter is still applicable. We are, however, revising the dates: If Greka does not complete the actions to return to compliance identified in the attached letter **by July 2, 2018**, the District will prepare and submit a petition for abatement to be heard by the Santa Barbara County Air Pollution Control District Hearing Board in August 2018.

Sincerely,

Kaitlin McNally, Manager  
Compliance Division  
Santa Barbara County Air Pollution Control District  
(805) 961-8855  
[www.ourair.org](http://www.ourair.org)  
[twitter.com/OurAirSBC](https://twitter.com/OurAirSBC)

---

**From:** Kaitlin E. McNally  
**Sent:** Thursday, February 23, 2017 4:15 PM  
**To:** Jeanette M. Boyer <jmb@greka.com>  
**Subject:** Greka Los Flores Lease Emergency Pits Compliance  
**Importance:** High

Jeanette,

Please see the attached letter regarding Abatement Order warning for NOV 10944 for emergency pits at the Los Flores Lease. As I informed you during our phone call today, the attached letter differs from the discussions that took place during a meeting on February 1, 2017 between Greka and Eric Kett, because those discussions were not authorized. If you would like to discuss further, please contact me at (805) 961-8855 or by email.

Sincerely,

Kaitlin

Kaitlin McNally, Manager  
Compliance Division  
Santa Barbara County Air Pollution Control District  
(805) 961-8855  
[www.ourair.org](http://www.ourair.org)  
[twitter.com/OurAirSBC](https://twitter.com/OurAirSBC)



**Santa Barbara County  
Air Pollution Control District**

Via Certified Mail

9171 9690 0935 0137 5409 40

February 23, 2017

Ms. Jeanette Boyer  
Greka Oil & Gas  
PO Box 5489  
Santa Maria, CA 93456

FID: 04008  
Permit: P 07307 - R10  
SSID: 08678

Re: Abatement Order Warning for Notice of Violation #10944 for Emergency Pits

Dear Ms. Boyer:

On April 6, 2016, the Santa Barbara County Air Pollution Control District (District) issued Notice of Violation (NOV) #10944 for failing to bring the emergency pits (District Device IDs 008526 and 008527) at the Los Flores Lease into compliance with District Rule 344. The emergency pits are currently in-use storing petroleum product and have been witnessed storing petroleum product starting in June 2015. This continued and ongoing use is in violation of the Rule 344 designation of these pits. Rule 344 requires that emergency pits be used less than 30 days per year. In addition, these emergency pits have emitted excess emissions on each day they have contained petroleum product, totaling over 32,500 lbs. ROC from April 6, 2016 until now. Please refer to the Attachments for a detailed chronology of events regarding this ongoing violation and a calculation of the excess emissions.

Please note that your Permit to Operate (PTO) 07307-R10 for Greka Oil and Gas's (Greka) Los Flores Lease was due for reevaluation on August 12, 2016. The District will not reevaluate Greka's permit at this time due to the ongoing violation of District Rule 344 and California Health and Safety Code Section 40702.

Please complete the following actions **by March 16, 2017**, in order to return to compliance:

- Notify the District how and where the material in the emergency pits will be properly disposed of, and
- Completely empty the emergency pits and properly dispose of the material, and
- Arrange for and complete a District inspection to verify that Greka has emptied the emergency pits.

Greka has indicated that the material in the emergency pits may be disposed in accordance with the California Regional Water Quality Control Board Central Coast

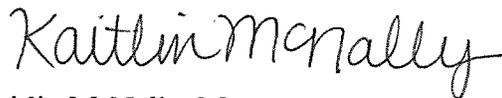
Region Order No. R3-2010-0036 *General Conditional Waiver of Waste Discharge Requirements for the Management of Petroleum-Impacted Soils at Authorized Waste Pile Management Facilities on Active Oil Leases and Fee Properties in the Central Coast Region*. In order to dispose of the material in this manner, Greka must submit formal written approval from the California Regional Water Quality Control Board Central Coast Region, on their letterhead, that clearly approves the material in the emergency pits to be deposited at the Greka Authorized Waste Pile Management facility.

After Greka has returned to compliance, the District will reevaluate Permit to Operate (PTO) 07307 and send a separate Mutual Settlement letter detailing resolution for NOV #10944. A fine will be assessed to address this violation. Greka's efforts to take necessary steps to come into compliance factors into the amount of the District fine. Please note that due to the amount of time that has passed, the previous Mutual Settlement offer, outlined in a letter dated October 28, 2016, no longer stands.

If Greka does not complete the actions to return to compliance, identified above, by March 16, 2017, the **District will prepare an abatement order** to be heard by the Santa Barbara County Air Pollution Control District Hearing Board in May 2017. This abatement order will require Greka to take specific actions to address compliance or shut down operations. This letter serves as written notification that pursuant to Rule 210.IV.C, Greka will be assessed fees to recover all District administrative costs, including County Counsel costs, associated with the preparation, issuance and implementation of the abatement order. Pursuant to District Rule 502, Greka will receive a copy of the petition that the District files with the Hearing Board, and will have an opportunity to respond to the petition, as provided in District Rule 509.

If you have any questions about this letter or require additional information, please contact me at (805) 961-8855.

Sincerely,



Kaitlin McNally, Manager  
Compliance Division

Attachments: A – Chronology of Events  
B – Excess Emissions Calculations

cc: William Dillon, County Counsel  
Michael Goldman, APCD  
Eric Kett, APCD  
Los Flores 04008 Project File  
ECD Chron

## **Attachment A**

### **Chronology of Events**

06/10/2015 – During a routine inspection, District inspector Swain found the two emergency pits with District device ID's of 008526 and 008527 storing petroleum product.

06/17/2015 - District inspector Swain sent Greka employee Joe Diaz an e-mail reminding Greka that these pits are for emergency use only, and as such, can only be used 30 days out of any calendar year.

02/25/2016 - During a routine inspection of other Greka facilities, inspector Swain and members of Greka staff stopped at the Los Flores lease and photo-documented the pits storing petroleum product.

03/03/2016 - During a routine inspection of other Greka facilities, inspector Swain and members of Greka staff stopped at the Los Flores lease and photo-documented the pits storing petroleum product.

03/16/2016 - During a routine inspection of other Greka facilities, inspector Swain and members of Greka staff stopped at the Los Flores lease and photo-documented the pits storing petroleum product.

03/25/2016 - During a routine inspection of other Greka facilities, inspector Swain and members of Greka staff stopped at the Los Flores lease and photo-documented the pits storing petroleum product.

04/06/2016 – During a routine inspection, District inspector Swain found the emergency pits storing petroleum product.

04/11/2016 – The District issued Notice of Violation (NOV) #10944 to Greka to document a violation of District Rule 344 B.3.b. for applying exemptions to two emergency wastewater pits that no longer meet the exemption criteria.

04/19/2016 - During a routine inspection of other Greka facilities, inspector Swain and members of Greka staff stopped at the Los Flores lease and photo-documented the pits storing petroleum product.

05/10/2016 - During a routine inspection of other Greka facilities, inspector Swain and members of Greka staff stopped at the Los Flores lease and photo-documented the pits storing petroleum product.

05/18/2016 - During a routine inspection of other Greka facilities, inspector Swain and members of Greka staff stopped at the Los Flores lease and photo-documented the pits storing petroleum product.

05/26/2016 - During a routine inspection of other Greka facilities, inspector Swain and members of Greka staff stopped at the Los Flores lease and photo-documented the pits storing petroleum product.

07/14/2016 - During a routine inspection of other Greka facilities, inspector Swain and members of Greka staff stopped at the Los Flores lease and photo-documented the pits storing petroleum product.

10/19/2016 – During a routine inspection, District inspector Swain found the emergency pits storing petroleum product.

10/28/2016 – The District mailed a Mutual Settlement offer via certified mail to Greka requesting a response by 11/18/2016.

12/14/2016 - Inspector Swain and members of Greka staff stopped at the Los Flores lease and photo-documented the pits storing petroleum product.

## **Attachment B**

### **Excess Emissions Calculations**

Date of Violation: 04/06/2016

Days in Violation from 04/06/2016 – 2/23/2017 = 323 days

Per page 34 of PTO 07307-R10 each emergency pit emits 50.4 pounds of Reactive Organic Compounds (ROC) per day.

The two emergency pits combined emit 100.8 pounds of ROC's per day.

The daily emissions combined for each pit (100.8lbs/day) times the number of days in violation (323 days) = 32,558.4 lbs. of excess ROC emissions as of 2/23/2017.

## Section 5.ii

**From:** Jeanette Boyer [<mailto:jmb@greka.com>]

**Sent:** Wednesday, June 20, 2018 12:24 PM

**To:** Kaitlin E. McNally <[McNallyK@sbcapcd.org](mailto:McNallyK@sbcapcd.org)>

**Cc:** Alex G. Dimitrijevic <[agd@greka.com](mailto:agd@greka.com)>

**Subject:** Abatement Order Warnings - Morganti & Los Flores Emergency Pits Status

Kaitlin,

The HIVCC (Greka) Compliance Department has been advised that HIVCC (Greka) is currently working on the referenced emergency pits and is committed to resolve. HIVCC contractors are addressing the Morganti Emergency Pit first and will then move onto the Los Flores Facility Emergency Pits, which may need additional time to complete.

Please do not hesitate to contact me if you have questions or need additional information.

Regards,



*Jeanette Boyer*  
*Director of Compliance*  
Phone: (805) 357-2933  
Mobile: (805) 310-9871

# Section 6

## Excess Emissions Calculations

## Excess Emissions Calculations

Date of Violation: 04/06/2016

Days in Violation from 04/06/2016 - 07/10/2018 = 824 days

Per page 34 of PTO 07307-R10 each emergency pit emits 50.4 pounds of Reactive Organic Compounds (ROC) per day

The two emergency pits combined emit 100.8 pounds of ROC's per day.

The daily emissions combined for each pit (100.8lbs/day) times the number of days in violation (824 days) = 83,059.2 lbs of excess ROC emissions as of 07/10/2018.