

	Case No / Date	2025-06-E	03/04/2025
	Petitioner	Pacific Coast Energy Company LP/Pacific Coast Energy Acquisitions, LLC	
	Permit #	Part 70/PTO 8092-R10	
	Date Rec'd	02/20/2025	
	Time Rec'd	1815 hours	
	FOR OFFICIAL USE ONLY		

BEFORE THE HEARING BOARD OF THE SANTA BARBARA COUNTY AIR POLLUTION CONTROL DISTRICT

In the Matter of the Application of)
Pacific Coast Energy Company LP/)
Pacific Coast Energy Acquisitions,)
LLC. for an Emergency Variance from)
District Rules 325.E.1, and 206, Part)
70/Permit to Operate 8092-R10,)
Conditions 9.C.7 and 9.D.5.)

H.B. Case No. 2025-06-E

VARIANCE FINDINGS

AND ORDER

Pacific Coast Energy Company LP/ Pacific Coast Energy Acquisitions, LLC (Petitioner) filed a Petition for an Emergency Variance on February 20, 2025. A hearing of the Emergency Variance Petition was held on March 4, 2025. Marianne Strange represented the Petitioner, Aimee Long represented the Santa Barbara County Air Pollution Control District (District) and Terence Dressler represented the Hearing Board for this Emergency Variance Hearing.

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

HEARING

1. Notice of the Hearing was duly given in the manner and for the time required by law.
2. Sworn testimony and argument on behalf of the Petitioner and the Air Pollution Control Officer were made, received, and considered.
3. A nuisance as defined in District Rule 303 is not expected to occur as a result of this Variance.
4. Pursuant to Health and Safety Code section 42359.5, "good cause" exists for the granting of the Petitioner's request for an Emergency Variance.

5. If, due to reasons beyond the control of the Petitioner, compliance is not achieved during this Variance period, additional relief will be sought.
6. District staff supports the Petition as conditioned below.

BACKGROUND AND FINDINGS

1. The Petitioner operates the equipment described in the Petition at the Folsom Lease located in the Orcutt Oil Field approximately 2.5 miles south of the town of Orcutt in Santa Barbara County, California.
2. Oil, water and gas are produced from seven wells at the Petitioner's facility. Electric motors or internal combustion engines power the well pumps. Produced well fluids are piped to a gas/liquid separator. Liquids are routed to the Pinal Lease Tank Battery for further process. Produced gas from the separator and well casing gas gathered by the gas gathering system is sent to the Orcutt Hill Compressor Plant.
3. On February 20, 2025, during a District inspection, a leak was discovered at Folsom well #5, leaking at >10,000 ppm methane. Due to the location of the leak, specialty equipment may be needed to isolate and repair the leak.
4. The Petitioner filed a request for Variance coverage the same day the leaks were discovered.
5. Folsom well #5 is currently idle with a well cellar that is filled in. At this time, it is unknown if the leak is from the well assembly or from the casing line.
6. If it is determined the leak is from the well assembly, it will be repaired. However, if the leak is from the casing line, a work over rig will be needed for the repair. Regardless of the source of the leak, additional time is necessary to make the repairs needed.
7. Without Variance coverage, the Petitioner will be in violation of District Rules 325.E.1 and 206, and Part 70 Permit to Operate 8092-R10, Conditions 9.C.7 and 9.D.5.
8. If, due to reasons beyond the control of the Petitioner, successful repairs are not completed during this Variance period, additional relief will be sought.
9. The Petitioner will monitor, record, and quantify, on a daily basis, all emissions related to the granting of this Variance. Excess emissions associated with this Variance are expected to be 0.911 lbs of ROC per day. These emissions are based on the CAPCOA emission factors for an open ended line at >10,000 ppm methane.

THEREFORE, THE HEARING BOARD ORDERS, as follows:

That an Emergency Variance be granted for failing to control produced gas at all times on Folsom well #5 until the repairs can be completed, which is in violation of District Rules 325.E.1, and 206, Part 70 Permit to Operate 8092-R10, Conditions 9.C.7 and 9.D.5, from February 20, 2025 through March 21, 2025, or the date compliance is achieved, whichever occurs first, with the following conditions:

1. Petitioner shall submit a written report to the Hearing Board and District, to variance@sbcapcd.org, by April 15, 2025. The report shall include the date compliance was achieved, the cause of the leak, description of the corrective action taken, description of equipment brought onsite to fix the leak, daily monitoring records, and the dates, times, calculations, and actual excess emissions (lb/day) that occurred each day during the variance period.
2. Petitioner shall monitor, record, and quantify, on a daily basis, all emissions related to the granting of this Variance.
3. Petitioner shall retain the obligation to comply with all other local, state, and federal regulations not specifically referenced in the Order, such as complying with District requirements for temporary equipment that is brought onsite to repair the leak (e.g. diesel-powered portable equipment).
4. Failure to abide by all conditions of this Order shall subject the Petitioner receiving the variance to penalties set forth in Health and Safety Code section 42402.
5. In accordance with District Fees Rule 210, the Petitioner shall pay excess emission fees for each additional ton of pollutant emissions, or portion thereof, allowed as the result of the issuance of this Variance.
6. The Environmental Protection Agency does not recognize California's Variance Program; therefore, this Variance does not protect the Petitioner from Federal Enforcement actions.
7. Each day during any portion of which a violation occurs is a separate offense.

DATED: 03/04/2025

Terence E. Dressler
Terence E. Dressler (Mar 4, 2025 14:28 PST)

Terence Dressler
Santa Barbara County Air Pollution Control District
Hearing Board