

 air pollution control district SANTA BARBARA COUNTY	Case No / Date	2026-03-E	04/22/2026
	Petitioner	Pacific Coast Energy Company, LP	
	Permit #	Part 70/PTO 8240-R12	
	Date Rec'd	3/27/2026	
	Time Rec'd	1340 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 for)
an Emergency Variance from District)
Rules 325.D.1 and 206, Part)
70/Permit to Operate 8240-R12,)
Conditions 9.C.7, 9.C.2.a, and 9.D.6.)

H.B. Case No. 2026-03-E

VARIANCE FINDINGS

AND ORDER

Pacific Coast Energy Company, LP (Petitioner) filed a Petition for an Emergency Variance on March 27, 2026. A hearing of the Emergency Variance Petition was held on April 22, 2026. 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. If, due to reasons beyond the control of the Petitioner, compliance is not achieved during this Variance period, additional relief will be sought.
5. District staff supports the Petition as conditioned below.

BACKGROUND

1. The Petitioner operates the equipment described in the Petition at the Newlove Lease located approximately 2.5 miles South of the town Orcutt, an unincorporated town in Santa Barbara County, California.
2. The Petitioner operates seventy-eight wells at the Newlove Lease that produce oil, water, and gas. The non-thermal operations utilize three 3,000 barrel wash tanks for oil-water separation and one 1,000 barrel crude storage tank. The lease has two wastewater tanks with a capacity of 10,000 barrels and a 1,000 barrels. All tanks are connected to vapor recovery. The collected vapors are combined with the gas from the gas gathering system and are piped to the Orcutt hill compressor Plant or to the Diatomite Project steam generators.
3. On March 26, 2026, during a District inspection, a leak (>10,000 ppm) was discovered on crude tank T-4.
4. At this time, the Petitioner does not have the necessary materials to make the initial repairs. However, an independent tank repair complaint, Sans, is scheduled to be onsite no later than March 31, 2026.
5. The Petitioner is hopeful the contractor will make sufficient repairs to get the leak below the 10,000 ppm threshold and return the tank to compliance.
6. The Petitioner has plans to eventually replace tank T-4 in the future. However, tank replace will not occur at this time.
7. If, due to reasons beyond the control of the Petitioner, successful repairs are not completed during this Variance period, additional relief will be sought.
8. The Petitioner will monitor, record, and quantify, on a daily basis, all emissions related to the granting of this Variance. Using the CAPCOA open-ended line of greater than 10,000 ppm calculation, the excess emissions associated with this Variance are expected to be 0.911 lbs/day.

FINDINGS

1. Without Variance coverage, the Petitioner will be in violation of District Rule 325.D.1 and 206, Part 70/Permit to Operate 8240-R12, Condition 9.C.7, 9.C.2.a., and 9.D.6.
2. Pursuant to Health and Safety Code section 42359.5, “good cause” exists for the granting of Petitioner’s request for an Emergency Variance.

THEREFORE, THE HEARING BOARD ORDERS, as follows:

That an Emergency Variance be granted for failing to control produced gas at the Newlove Lease crude tank T-4 in violation of District Rule 325.D.1 and 206, Part 70/Permit to Operate 8240-R12, 9.C.7, 9.C.2.a., and 9.D.6 from March 27, 2026 through April 25, 2026, 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 May 15, 2026. 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.
8. Petitioner shall submit deviation reports to the District for all violations of Federal requirements.

DATED: 04/22/2026

Terence E. Dressler

[Terence E. Dressler \(Apr 22, 2026 19:31:31 PDT\)](#)

Terence Dressler
Santa Barbara County Air Pollution Control District
Hearing Board