

	Case No / Date	2026-04-E	04/22/2026
	Petitioner	Pacific Coast Energy Company LP	
	Permit #	Part 70/PTO 8502-R11	
	Date Rec'd	03/30/2026	
	Time Rec'd	1031 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.E.1, and 206, Part)
70/Permit to Operate 8502-R11,)
Conditions 9.C.1 and 9.D.8.)

H.B. Case No. 2026-04-E

VARIANCE FINDINGS

AND ORDER

Pacific Coast Energy Company LP (Petitioner) filed a Petition for an Emergency Variance on March 30, 2026. A hearing of the Emergency Variance Petition was held on April 22, 2026. Rich Field 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 cession 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 Pinal 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 fourteen 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 processing. Produced gas from the separator and well casing gas gathered by the gas gathering system is sent to the Orcutt Hill Compressor Plant. The oil is piped to the crude tank and water is sent to the wastewater tanks. Oil is metered at the Lease Automatic Custody Transfer (LACT) unit and is shipped from the lease via a pipeline or the truck loading rack.
3. On March 27, 2026, during a District inspection, a leak was discovered at Pinal well #2, leaking at >10,000 ppm methane. The leak appeared to be emanating from a parted seam in the surface casing of the well.
4. The Petitioner attempted to isolate the leaking seam to repair the leak. However, on March 28, 2026, after further investigation, it was determined the leak was emanating from a down hold source between the conductor casing and surface casing of the well. Due to the location of the leak, a work over rig is necessary to further inspect, isolate and repair the down hold issue.
5. As a result, the Petitioner filed a request for Variance coverage once it was determined additional equipment was needed for the repair.
6. The Pinal well #2 will be shut in once the work over rig has been mobilized.
7. Without Variance coverage, the Petitioner will be in violation of District Rules 325.E.1 and 206, and Part 70 Permit to Operate 8502-R11, Conditions 9.C.1 and 9.D.8.
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 reactive organic compounds (ROC) per day. These emissions are based on the California Air Pollution Control Officers Association (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 Pinal well #2 until the repairs can be completed, which is in violation of District Rules 325.E.1, and 206, Part 70 Permit to Operate 8502-R11, Conditions 9.C.1 and 9.D.8, from March 30, 2026 through April 28, 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.

DATED: 04/22/2026

Terene E. Dressler
Terene E. Dressler (Apr 22, 2026 19:32:37 PDT)

Terence Dressler
Santa Barbara County Air Pollution Control District
Hearing Board