



Central Coast Regional Water Quality Control Board

Water Board Imposes \$1.2 Million Penalty on Greka Oil and Gas, Inc.

FOR IMMEDIATE RELEASE

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At a public meeting in San Luis Obispo on May 13, 2010, the Central Coast Water Board adopted an order accepting a settlement agreement with Greka Oil & Gas, Inc., regarding allegations that Greka violated cleanup requirements applying to numerous oil-impacted soil piles in the Santa Maria area. The order and settlement require Greka to pay \$400,000 to the Water Board and proceed with reusing or disposing of approximately 70,000 cubic yards of oily dirt generated from its petroleum excavation operations. If Greka fails to meet deadlines in the agreement, additional penalties of up to \$800,000 may become due. The agreement allows Greka to reuse most of the soil piles in asphalt it intends to apply on roads throughout its oilfield properties in Santa Barbara County. Oil-impacted soil piles commonly result from efforts to clean up oil spilled on the ground or in creeks. However, this settlement is not directly related to Greka oil spills. The Central Coast Water Board referred the prosecution of civil liabilities relating to Greka's oil spills to the Attorney General's Office at its July 10, 2009, meeting.

The Central Coast Water Board is responsible for protecting and restoring water quality in the 300-mile-long coastal region from southern San Mateo and Santa Clara Counties to the northern part of Ventura County.

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