

5:00 INCIDENT UPDATE:

(for reference: each 1 barrel = 42 gallons when referring to crude oil or produced water, so 42 x # of barrels = # of gallons)

Due to unsafe acts and conditions noted at the Greka - Bell Lease facility on Palmer Road, at 4:20 PM today Santa Barbara County Fire Department Fire Prevention Division Investigators posted a Stop-Work Order at the facility and notified Greka management of that order. Greka's permit to operate this facility has been revoked. Facility shut-down procedures are currently in progress. The Stop Work Order will be rescinded when the Fire Department assures that the failures have been investigated and corrected, and the facility is safe to operate.

Further details will follow.

**SANTA BARBARA COUNTY FIRE DEPARTMENT
Public Information Office
News Release**

Date:	December 28, 2008, 11:30 AM
To:	All News Media, FOR IMMEDIATE RELEASE
Subject:	New Greka Oil Spills – Bell Lease, Palmer Road
Contact:	Captain Eli Iskow, 805 689-0599

County Fire is investigating two new spills that have occurred on the Greka- Bell Lease facility since the spill on Friday that caused the closure of Palmer Road. Friday's spill has been cleared from the roadway and Palmer Road is reopened.

There was another spill yesterday of 15-20 barrels of crude and 150-200 barrels of produced water. Apparently an operator error caused a relief valve to open and spill product down a ravine into a creek bed where the flow continued for approximately one-half mile down the creek. This is a different creek than last December's creek bed spill.

Today there was a packing valve failure at well head #120 causing a spill of 3-4 barrels of crude and an undetermined amount of produced water. Our engine company has just arrived on-scene. County Fire Hazardous Materials Unit and State Fish & Game representatives are on-scene and a County Fire Prevention Investigator is enroute.

Both of the new spills are at locations on the facility that do not have public or media access. More details will be released as we have them pending investigation results.

LIFE SAFETY MESSAGE: *REPORT SUSPICIOUS SUBSTANCES AND ODORS IN THE ENVIRONMENT TO 911.

CONTACT: PIO

CELL: 805 689-0599

OFFICE: 805 681-5531

NEWSLINE: 805 681-5546

###