



UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
REGION IX
75 Hawthorne Street
San Francisco, CA 94105

Certified Mail:
E-Mail

03/28/2008

Andrew Devegvar
Greka Oil and Gas, Inc.
a.k.a. Greka SMV, a.k.a. Greka Energy
6527 Dominion Road
Santa Maria, CA 93454

Pursuant to Section 25 of the Order for Removal, Mitigation or Prevention of a Substantial Threat of Oil Discharge, Docket No.: OPA 311-09-2008-0001 ("the Order) Greka Oil and Gas, Inc. (Greka), the U.S. Environmental Protection Agency is directing Greka to remove all waste soil, contaminated vegetation, contaminated debris or contaminated cleanup materials stored in the roll-off-bins at the Zaca Lease or adjoining properties no later than April 15, 2008. Greka must also remove all liquids stored in portable tanks on the Zaca Lease and adjoining properties no later than May 1, 2008. Oil may be recycled into your system or sold on the open market. Water may be injected in accordance with County, State and Federal requirements. If liquids can not be removed into your system by May 1, 2008, the liquids must be sent to an approved treatment, storage and disposal facility.

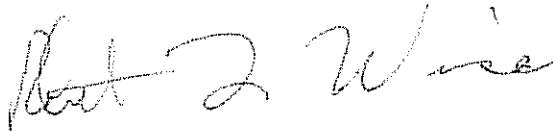
The restoration of the roads impacted by the spill cleanup must be completed by May 5, 2008. Restoration of the Santa Barbara County Road Yard must be completed by April 4, 2008. Restoration of the yard at the Firestone Winery must be completed within five days after the removal of the last roll-off-bins.

Failure to meet the above deadlines will constitute a violation of the Order and may subject Greka to fines and penalties pursuant to Section 26 of the Order. If Greka can not meet the deadlines, On-Scene Coordinator Robert Wise must be notified prior to the deadline via e-mail at wise.robert@epa.gov.

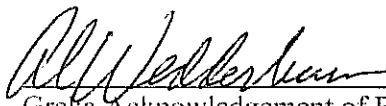
As part of the workplan required pursuant to 18d. Greka must provide EPA with the plans and a schedule for (1) the repair of the pipe in the secondary containment through which the oil migrated, (2) the repair of the tank that failed, and (3) repair of the secondary containment. Greka must provide these plans and schedule no later than five (5) days prior to commencing work. The plans are subject to review pursuant to Section 25 of the Order. Failure to provide the plans may result in fines and penalties pursuant to Section 26 of the Order.

If you have any questions, please do not hesitate to contact OSC Robert Wise at (562) 889-2572 or, for legal questions, contact Michael Massey at (415) 972-3034.

Sincerely,



Robert Wise
Emergency Response Section
Superfund Division



Greka Acknowledgement of Receipt

03-31-08

Date

cc: Michael Massey, EPA
Steve Calanog, EPA
Scott Adair, EPA
Mark Samolis, EPA
Jim Hanson, EPA
Brian Gollhoffer, CA DFG
John Holland, CA DFG
Mike Connell, CADFG
Pam McNulty, SBCo. Petroleum Office
Mike Zimmer, SBCo. Petroleum Office
Battalion Chief Richard Todd, SBCoFD
Kate Sulka, SBCoFD