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JUL 29 2011
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CLERK

8 (Additional Counsel on the following pages)

10 SUPERIOR COURT OF THE STATE OF CALIFORNIA

11 COUNTY OF CONTRA COSTA

14 **PEOPLE OF THE STATE OF CALIFORNIA,**

16 Plaintiff,

17 v.

18 **GOLDEN GATE PETROLEUM CO., a**
19 **California Corporation; BAY**
20 **AREA/DIABLO PETROLEUM CO., a**
21 **California Corporation; DENNIS**
22 **O'KEEFE, an individual; EASTGATE**
23 **PETROLEUM, LLC; and DOES 1 through**
24 **100,,**

25 Defendants.

Case No. MSC 10-01567

~~PROPOSED~~ FINAL JUDGMENT ON CONSENT

Date: July 29, 2011

Time: 1:30 p.m.

Dept: 17

Judge: Barry Goode

Trial Date: None set

Action Filed: May 26, 2010

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1 It appearing that the Court has jurisdiction over the subject matter and the parties; that
2 Plaintiff, THE PEOPLE OF THE STATE OF CALIFORNIA (People), by and through
3 KAMALA D. HARRIS, Attorney General of California, MARGARITA PADILLA, Supervising
4 Deputy Attorney General, KIRK MCINNIS, Deputy Attorney General, and the additional counsel
5 for the PEOPLE as set forth on the STIPULATION FOR ENTRY OF FINAL JUDGMENT ON
6 CONSENT; and Defendants, GOLDEN GATE PETROLEUM CO., a California corporation;
7 BAY AREA/DIABLO PETROLEUM COMPANY, a California corporation; DENNIS
8 O'KEEFE, an individual; EASTGATE PETROLEUM LLC, a Nevada LLC, by and through its
9 attorneys, POLLOCK & JAMES, LLP, by Mark S. Pollock, Esq., have executed a
10 STIPULATION FOR ENTRY OF FINAL JUDGMENT ON CONSENT ("Stipulation"), filed
11 concurrently with this FINAL JUDGMENT ON CONSENT ("Judgment"); that the Stipulation
12 recites, among other things, the consent of the parties to the signing of this Judgment by the Court
13 and to its filing and entry; and, therefore, upon the consent of the parties hereto, and good cause
14 appearing for the entry of this Judgment,

15 **IT IS HEREBY ORDERED, ADJUDGED AND DECREED:**

16 **1. JURISDICTION**

17 The Superior Court of Contra Costa County has subject matter jurisdiction and personal
18 jurisdiction over the Parties.

19 **2. PAYMENT OF CIVIL PENALTIES**

20 **A. INITIAL PAYMENT**

21 Defendant Eastgate Petroleum, LLC has guaranteed the payment of civil penalties of a
22 maximum of \$625,000 incurred by the Defendants in the FINAL JUDGMENT ON CONSENT in
23 civil case MSC 07 02593 filed in this Court. Should Defendants fail to make any scheduled
24 payment set forth in the FINAL JUDGMENT ON CONSENT in civil case MSC 07 02593, then
25 Eastgate Petroleum, LLC shall be immediately liable to pay, within 30 days of such failure to pay,
26 the sum of \$625,000.

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1 **B. LATE PAYMENT**

2 Defendant Eastgate Petroleum, LLC shall be and is hereby deemed liable for a civil
3 penalty of ten thousand dollars (\$10,000) for each day that the payment required by the preceding
4 paragraph is late.

5 **3. PERMANENT INJUNCTIVE RELIEF**

6 Defendants, and each of them, shall be, and hereby are, permanently enjoined from
7 engaging in any activity that violates Civil Code section 3439 *et. seq.*, including making future
8 transfers of assets for less than reasonably equivalent value.

9 **4. ENFORCEMENT**

10 **A.** The People may move this Court to enforce any provision of this Judgment and to
11 award other appropriate relief, including penalties for contempt and penalties as provided for in
12 Section 2.B., by serving and filing a regularly noticed motion in accordance with Code of Civil
13 Procedure section 1005 (“Enforcement Motion”). Defendants may file an opposition and the
14 People may file a reply. At least ten (10) calendar days before filing an Enforcement Motion, the
15 People shall seek to meet and confer with Defendants to attempt to resolve the matter without
16 judicial intervention. To ensure that the meet and confer is as productive as possible, the People
17 will identify, as specifically as the available information allows, the specific instances and dates
18 of non-compliance, and the actions that the People believe Defendants must take to remedy that
19 non-compliance and the amount of penalties, if any, sought by the People.

20 **B.** Imposition of penalties pursuant to this provision of this Judgment is in addition to any
21 enforcement action authorized by law that may be taken by the People.

22 **5. EFFECT OF CONSENT JUDGMENT**

23 Except as expressly provided in Section 6, nothing in this Judgment is intended, nor shall
24 it be construed, to preclude the People, or any state, county, or local agency, department, board or
25 entity, or any CUPA, from exercising its authority under any law, statute, or regulation.

26 **6. MATTERS COVERED AND RESERVED CLAIMS**

27 **A.** This Judgment is a final and binding resolution and settlement of all known claims,
28 violations, and causes of action alleged by the People in the Complaint, or causes of action which

1 could have been asserted by the People based on the facts that are the subject of the Complaint
2 against Defendants. The matters described in the previous sentence are "Covered Matters." The
3 People reserve the right to pursue any claim that is not a covered matter ("Reserved Claims").

4 **B.** Any claims, violations, or causes of action that are not based on facts alleged in the
5 Complaint, including but not limited to any violations that occurred after May 26, 2010, are not
6 resolved, settled, or covered by this Judgment and are Reserved Claims.

7 **C.** In any subsequent action that may be brought in the name of the People based on any
8 Reserved Claims, Defendants agree that they will not assert that the failure to pursue the
9 Reserved Claims as part of this action constitutes claim-splitting or laches or is otherwise
10 inequitable because of this asserted failure. This Section does not bar Defendants from asserting
11 any statute of limitations that may be applicable to any Reserved Claims or any other defense.

12 **D.** Defendants covenant not to pursue any civil or administrative claims against the People
13 or against any agencies of the State of California, any counties in the State of California, or any
14 CUPA, or against their officers, employees, representatives, agents, or attorneys, arising out of or
15 related to the Complaint and the Covered Matters.

16 **7. NOTICE**

17 **A.** All submissions and notices required by this Judgment shall be sent to:

18 1. For Plaintiff:

19
20 Kirk McInnis
21 Deputy Attorney General
22 Office of the Attorney General
23 1515 Clay Street, 20th Floor
24 P.O. Box 70550
25 Oakland, California 94612-0550
26 Kirk.McInnis@doj.ca.gov

27 2. For Defendants:

28
Dennis O'Keefe
Bay Area/ Diablo Petroleum Company
1340 Arnold Drive, Suite 231
Martinez, CA
94553

1 Pollock & James, LLP
2 952 Jefferson St.
3 Napa, CA
4 94559

5 Any party may change its notice and name and address by informing the other Parties in
6 writing by certified mail. The change shall be effective upon receipt of the certified mail.

7 **B.** All notices and communications required or permitted under this Judgment that are
8 properly addressed as provided in this Section are effective upon delivery if delivered personally
9 or by overnight delivery, or are effective five (5) days following deposit in the United States mail,
10 postage prepaid if delivered by mail, or are effective the next court day that electronic mail is sent
11 before 5 p.m. (PST) to the electronic mail addresses of the designated recipients for notice
12 concurrent with sending the notice by United States mail.

13 **8. NECESSITY FOR WRITTEN APPROVALS**

14 All notices, approvals, and decisions of the People under the terms of this Judgment shall
15 be communicated to Defendants in writing. No oral advice, guidance, suggestions, or comments
16 by employees or officials of the People regarding submissions or notices shall be construed to
17 relieve Defendants of their obligations to obtain any final written approval required by this
18 Judgment.

19 **9. NO LIABILITY OF THE PEOPLE**

20 The People shall not be liable for any injury of damage to persons or property resulting
21 from acts or omissions by any of the Defendants in carrying out activities pursuant to this
22 Judgment, nor shall the People be held as a party to or guarantor of any contract entered into by
23 any of the Defendants, or on behalf of Defendants, their directors, officers, employees, agents,
24 representatives, or contractors, in carrying out the requirements of this Judgment.

25 **10. NO WAIVER OF RIGHT TO ENFORCE**

26 The failure of the People to enforce any provision of this Judgment shall neither be
27 deemed a waiver of such provision nor in any way affect the validity of this Judgment. The
28 failure of the People to enforce any such provision shall not preclude it from later enforcing the
same or other provisions of this Judgment. Nor oral advice, guidance, suggestions, or comments

1 by employees or officials of the People or Defendants, or people acting on behalf of Defendants,
2 regarding matters covered in this Judgment shall be construed to relieve any of the Defendants of
3 their obligations under this Judgment.

4 **11. APPLICATION OF STIPULATION FOR ENTRY OF FINAL JUDGMENT**

5 This Judgment shall apply to and be binding upon the People and upon each of the
6 Defendants, their successors, assigns, directors, officers, and representatives.

7 **12. CONTINUING JURISDICTION**

8 This Court has continuing jurisdiction to interpret and enforce this Judgment. The Court
9 shall retain continuing jurisdiction to enforce the terms of this Judgment and to address any other
10 matters arising out of or regarding this Judgment.

11 **13. ABILITY TO INSPECT AND COPY RECORDS AND DOCUMENTS**

12 On reasonable notice and subject to all of the defenses each of the Defendants would have
13 to a request for documents made by subpoenas, discovery, or other formal legal process,
14 Defendants shall permit any duly authorized representative of the People to inspect and copy
15 Defendants' respective records and documents to determine whether Defendants are in
16 compliance with the terms of this Judgment. Nothing in this Section is intended to require access
17 to or production of any privileged documents.

18 **14. PAYMENT OF LITIGATION EXPENSES AND FEES**

19 Each of the Defendants shall pay their respective attorneys fees, expert witness fees and
20 costs, and all other costs of litigation and investigation incurred by it and/or him in connection
21 with this matter.

22 **15. MODIFICATION**

23 This Judgment may be modified only by the Court, or upon written consent by the Parties
24 and approval of the Court.

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IT IS SO ORDERED.

DATED: AUG - 8 2011

BARRY GOODE

gaw)

THE HONORABLE BARRY GOODE
JUDGE OF THE SUPERIOR COURT

DECLARATION OF SERVICE BY U.S. MAIL

Case Name: **People of the State of California v Golden Gate Petroleum Co., Eastgate Petroleum, LLC, et al.**

No.: **C10 01567**

I declare:

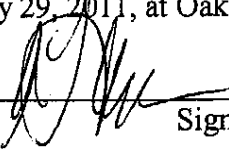
I am employed in the Office of the Attorney General, which is the office of a member of the California State Bar, at which member's direction this service is made. I am 18 years of age or older and not a party to this matter. I am familiar with the business practice at the Office of the Attorney General for collection and processing of correspondence for mailing with the United States Postal Service. In accordance with that practice, correspondence placed in the internal mail collection system at the Office of the Attorney General is deposited with the United States Postal Service that same day in the ordinary course of business.

On July 29, 2011, I served the attached **[Proposed] Final Judgment on Consent** by placing a true copy thereof enclosed in a sealed envelope with postage thereon fully prepaid, in the internal mail collection system at the Office of the Attorney General at 1515 Clay Street, 20th Floor, Oakland, CA 94612-0550, addressed as follows:

Mark Pollock, Esq.
Pollock & James, LLP
952 Jefferson Street
Napa, CA 94559

I declare under penalty of perjury under the laws of the State of California the foregoing is true and correct and that this declaration was executed on July 29, 2011, at Oakland, California.

Ann Lauber
Declarant



Signature