



UndergroundEnergy

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CALIFORNIA REGIONAL WATER
QUALITY CONTROL BOARD
LOS ANGELES REGION

January 15, 2016

Los Angeles Regional Water Quality Control Board
Attn: Joshua Cwikla
320 W. Fourth Street, Suite 200
Los Angeles, CA 90013

RE: Sump Disclosure (Order No. R4-2015-0334)
Operator U0075 - Underground Energy, Inc.

Dear Mr. Cwikla,

This letter is a response to your request dated December 18, 2015, requesting information from U0075 (Underground Energy, Inc.) as a listed DOGGR Operator in California, pertaining to oil and gas production facilities regarding the management of fluids associated with oil and gas production and the potential impacts on water quality. Specifically, the discharge of oil production fluids to land typically into sumps or produced water ponds.

I can confirm that no discharges into sumps (open pit, pond, excavation, natural depression, or any other area serving as a receptacle for collecting fluids or waste from an oil or gas well) occurred during the period in which Underground Energy, Inc. or any subsidiary has owned and/or operated within the oilfields we operate in. Underground Energy, Inc. is currently not operating any wells and when we did operate wells we disposed of fluids and waste by freighting the quantities by truck off the oilfield to a qualified waste disposal location, by a professional disposal company.

I, Michael H. Kobler, certify under penalty of law that I have personally examined and am familiar with the information submitted in this document and all attachments and that, based on my inquiry of those individuals immediately responsible for obtaining the information, I believe that the information is true, accurate, and complete. I am aware that there are significant penalties for submitting false information, including the possibility of fine and imprisonment.

Please do not hesitate to contact me with any questions or concerns.

Yours Truly,

Michael H. Kobler
President & CEO
(415) 850-4750



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