



January 15, 2016

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CALIFORNIA REGIONAL WATER  
QUALITY CONTROL BOARD  
LOS ANGELES REGION

Samuel Unger, PE  
Executive Officer  
Los Angeles Regional Water Quality Control Board  
320 West 4<sup>th</sup> St, Suite 200  
Los Angeles, CA 90013

Reference: CALIFORNIA WATER CODE DIRECTIVE - SECTION 13267

Dear Sir,

In response to your order dated December 18, 2015, Pacific Coast Energy Company LP (PCEC) has carefully reviewed its Beverly Hills Field, West Pico Drillsite property (located at 9151 West Pico Boulevard, Los Angeles, California) concerning sump discharge activity during the time period of its ownership and/or operation of the field. Since our ownership, which commenced on January 1, 1991 to the present, PCEC has had no discharges to sumps as referenced in the directive.

The West Pico Drillsite produces approximately 7500 to 8500 barrels of water per day in conjunction with oil production. This produced water is reinjected into permitted injection wells and back into the producing formations in the Field.

In addition, the West Pico Drillsite contains internal fluid process and control structures. These are steel or reinforced concrete structures which are designed to temporarily capture rain from the surface of the drill site (or, if ever needed, to contain fluids in an emergency). This system is equipped with pumps which are hard-piped to return any captured fluids to the fluid treatment system as soon as possible. After processing, the fluids are reinjected into DOGGR permitted Class II injection wells. No fluids from this system reach land or surface waters. Since the fluids are not waste and are part of an internal fluid processing system and because any such fluids are not disposed to land, a further technical report is not called for under the Order.

For well work and drilling operations, PCEC utilizes above ground mobile lined steel bins for collecting and managing drill cutting and work over fluids. The spent drilling fluids are transported, under proper chain of custody protocol, to a State of California approved disposal or recycling facility where the facility may remove additional solids, if necessary, and the liquids are injected into their permitted disposal well.

*Pacific Coast Energy Company LP*



The solid drill cuttings are transported under proper chain of custody protocol, to an approved State of California land fill.

*I, Phil Brown, District Manager, Pacific Coast Energy Company LP 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 the 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.*

A handwritten signature in blue ink that reads 'P. Brown'.

Phil Brown  
District Manager  
Pacific Coast Energy Company LP