

**CREE OIL LLC  
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Long Beach, Ca 90807  
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February 2, 2016

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

2016 FEB 11 PM 1:43  
CALIFORNIA REGIONAL WATER  
QUALITY CONTROL BOARD  
LOS ANGELES REGION

**RE: Cree Oil Limited, Submittal of Statement  
LARWQB Investigative Order No. R4-2015-0351  
The Disposal of Well Drilling Fluids, Well Completion Fluids, and  
Production Fluids to Land**

This statement is being submitted to the Los Angeles Regional Water Quality Control Board (LARWQB) pursuant to Investigative Order No. R4-2015-0351 dated 12/18/2015. Cree Oil, Ltd. now Cree Oil LLC (Cree), or any subsidiary owned and/or operated within the oil field or fields operated by Cree, has not discharged well drilling fluids, well completion fluids, and/or oil production fluids to land since Cree has owned/operated their leases in DOGGR District One. Cree has not created nor operated historic, active, temporary or long-term sumps (i.e., an open pit, pond, excavation, natural depression) since they have owned/operated their leases. Furthermore, it is not a common practice for Cree to discharge fluids to an open pit, pond, excavation and/or natural depression.

Additionally, the following information and methodology for obtaining this information, is being submitted as part of this statement:

Description of Disposal Methods and Destinations:

Cree and/or its affiliates have not drilled any wells since they have owned and/or operated within the oil field(s) operated by Cree which use or discharge Fluids to any "Sump" as referenced by LARWQB.

Produced water generated as a part of lease oil production is transferred via pipeline to offsite DOGGR permitted injection wells and/or transferred via pipeline to a POTW (Publicly Owned Treatment Works). The volume of produced water for Cree operations has averaged approximately 1,782 barrels per year over the last 10 years.

Crude oil produced by Cree operations is sold with a custody transfer at the lease site. The oil is trucked offsite for delivery to a refinery by others (not by Cree). The volume of crude oil produced by Cree has averaged approximately 10,508 barrels per year over the last 10 years.

Volumes of Fluids: The volume of water and oil produced was based upon Cree records as reported to the California Department of Conservation, Division of Oil, Gas and Geothermal Resources.

Lastly, I, Ira Cree 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.

Yours truly,

A handwritten signature in cursive script that reads "Ira J. Cree". The signature is written in dark ink and is positioned to the right of the typed name.

Ira Cree  
Partner  
Cree Oil LLC