

Axis Petroleum Company

January 15, 2016

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

2016 JAN 19 PM 2:21
CALIFORNIA REGIONAL WATER
QUALITY CONTROL BOARD
LOS ANGELES REGION

**RE: Axis Petroleum Company, Submittal of Statement
LARWQB Investigative Order No. R4-2015-0355
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. R4-2015-0355 dated 12/18/2015. Axis Petroleum Company (Axis), or any subsidiary owned and/or operated within the oil field or fields operated by Axis, has not discharged well drilling fluids, well completion fluids, and/or oil production fluids to land since Axis has owned/operated their leases in DOGGR District One. Furthermore, it is not a common practice for Axis 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:

Axis and/or its affiliates drilled 2 oil wells in 1982 and 4 oil wells in the 1940's. No records are available for the disposal of fluids from those wells.

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 (Publically Owned Treatment Works). The volume of produced water for Axis operations has averaged 473,336 barrels per year over the last 10 years.

Crude oil produced by Axis 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 Axis). The volume of crude oil produced by Axis has averaged 39,894 barrels per year over the last 10 years.

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Volumes of Fluids: The volume of water and oil produced was based upon Axis records as reported to the California Department of Conservation, Division of Oil, Gas and Geothermal Resources. Axis and/or its' affiliates have drilled 6 oil wells during their time of ownership of the leases, the most recent drilling occurred in 1982, more than 30 years ago. No records of disposal are available from those drilling operations. Therefore no volume for offsite disposal has been provided.

Lastly, I, Mary Benarth, 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,



Mary E. M. Benarth
Corporate Secretary/Treasurer
Axis Petroleum Company