THE LANSDALE COMPANY

P.O. BOX 27 SEAL BEACH, CA 90740

January 15, 2016

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

RE: The Landsdale Company, Submittal of Statement LARWQB Investigative Order No. R4-2015-0383

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. R4-2015-0383 dated 12/18/2015. The Landsdale Company (LANDSDALE), or any subsidiary owned and/or operated within the oil field or fields operated by LANDSDALE, has not discharged well drilling fluids, well completion fluids, and/or oil production fluids to land since LANDSDALE has owned/operated their leases in DOGGR District One. Furthermore, it is not a common practice for LANDSDALE 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:

<u>Description of Disposal Methods and Destinations</u>:

LANDSDALE and/or its affiliates have not drilled any wells since they have owned and/or operated within the oil field operated by LANDSDALE.

Produced water generated as a part of lease oil production is transferred into a POTW (Publically Owned Treatment Works). The volume of produced water for LANDSDALE's operations averaged approximately 55,146 barrels per year over the previous 10 years.

Crude oil produced by LANDSDALE's 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 LANDSDALE). The volume of crude oil produced by LANDSDALE has averaged approximately 23,032 barrels per year over the previous 10 years.

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

Lastly, I, Renick Sampson 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,

Renick Sampson for Chris Kozaites, Agent

The Landsdale Company