

# ALVARADO / MOUNTAIN VIEW PROPERTIES

859 N. VIRGIL AVE SUITE B  
LOS ANGELES, CA 90029  
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CALIFORNIA REGIONAL WATER  
QUALITY CONTROL BOARD  
LOS ANGELES REGION

January 15, 2016

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

**RE: Chaim Nathan & Edie Bato, Submittal of Statement  
LARWQB Investigative Order No. R4-2015-0393  
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. R4-2015-0393 dated 12/18/2015. Chaim Nathan & Edie Bato (CNEB), or any subsidiary owned and/or operated within the oil field or fields operated by CNEB, has not discharged well drilling fluids, well completion fluids, and/or oil production fluids to land since CNEB has owned/operated their leases in DOGGR District One. CNEB 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 CNEB 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:

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

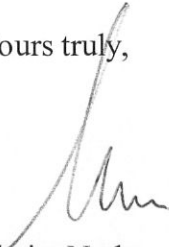
Produced water generated as a part of lease oil production is discharged to a POTW (Publically Owned Treatment Works). The volume of produced water for CNEB operations has averaged approximately 13,380 barrels per year since CNEB has owned the assets.

Crude oil produced by CNEB 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 CNEB). The volume of crude oil produced by CNEB has averaged approximately 1,359 barrels per year since CNEB has owned the assets.

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

Lastly, I, Chaim Nathan 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 black ink, appearing to read 'Chaim Nathan', written over a faint horizontal line.

Chaim Nathan  
Partner  
Chaim Nathan & Edie Bato