



POWER RUN OIL, LLC

January 15th, 2015

Mr. Joshua Cwikla
Los Angeles Regional Water Quality Control Board
320 West 4th Street, Suite 200
Los Angeles, CA 90013

Submitted by certified mail and via email: Joshua.cwikla@waterboards.ca.gov

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CALIFORNIA REGIONAL WATER
QUALITY CONTROL BOARD
LOS ANGELES REGION

**Re: LARWQB Investigative Order No. R4-2015-0305 to provide a Technical or Monitoring Report on
The Disposal of Well Drilling Fluids, Well Completion Fluids, and Production Fluids to Land for Power Run
Oil, LLC Oil and Gas Operations in Los Angeles and Ventura County, California**

I understand that oil producers throughout Los Angeles and Ventura County received investigative orders pursuant to Water Code 13267 from the Regional Boards as part of the State Board's initiative to gather information regarding the management of fluids associated with oil and gas production, and to determine if production fluids are discharged to land, sumps or produced water ponds, and the potential impacts on water quality.

This statement is in response to the Los Angeles Regional Water Quality Control Board (LARWQB) Investigative Order No. R4-2015-0305 dated December 18th, 2015. Power Run Oil has not discharged Well Drilling Fluids, Well Completion Fluids, and/or Production Fluids to Land since Power Run Oil has owned/operated their leases within DOGGR District One. Power Run Oil is has not operated historic, active, temporary or long-term sumps (i.e. open pit, pond, excavation, natural depression) since they have operated their leases.

As requested, the following is a description of Power Run Oil's disposal methods, destinations, and volumes:

Power Run Oil has not drilled any wells since becoming owner/operator of any of their leases; therefore there are no drilling disposal methods, destinations, or volumes to report.

Power Run Oil's production fluids are reported each month to the Department of Conservation, Division of Oil, Gas, and Geothermal Resources. In addition, a produced water report is submitted quarterly to the Department of Conservation, Division of Oil, Gas, and Geothermal Resources. Power Run Oil's produced water disposal method and destination for their Howard Townsite, and Rosecrans, South field leases is to commercial disposal recipient, Anterra Energy Services, Inc., Anterra Energy Services picks up and transports to their disposal facility at 1933 E. Wooley Rd., in Oxnard, CA 93030. Power Run Oil's Torrance field leases produced water is pretreated through a clarifying system then discharged using a permitted & monitored industrial wastewater system with the Sanitation Districts of Los Angeles County. The combined volume of produced water for Power Run Oil leases averages approximately 6,155 barrels per year.

Power Run Oil's produced crude oil is sold to Plains Marketing with a custody transfer at the lease sites. The crude oil is trucked offsite for delivery to a refinery. The combined volume of crude oil produced by Power Run Oil leases averages approximately 15,966 barrels per year.

I, Rodger Hunt, certify under penalty of law that I have personally examined and am familiar with the information submitted in this document and that 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.

Best Regards,

Rodger S. Hunt
Member
Power Run Oil, LLC