PERMIT TO OPERATE

Number 00331

Valid July 1, 2015 to June 30, 2016

This Permit Has Been Issued To The Following:

Company Name / Address: Facility Name / Address:

cBase Corporation cBase Corporation 9017 Reseda Blvd. Ste. 206 Black Lease-Ramona Field

Northridge, CA 91324 Piru, CA 93040

Permission Is Hereby Granted To Operate The Following:

16 - Oil Wells

2 - 1000 Barrel Crude Oil Storage Tanks

1 - 100 Barrel Produced Water Tank

1 - 100 Barrel Gauge Test Tank

1 - 16 Sqft-Surface Sump

This Permit Has Been Issued Subject To The Following Conditions:

| 1. | Permitted | Emissions | Tons/Year | Pounds/Hour |
|----|-----------|-----------|-----------|-------------|
| | Reactive | Organics | 5.99 | 1.36 |

- 2. Annual crude oil throughput shall not exceed 30,000 barrels per year at the crude oil storage tanks. In order to comply with this condition, the permittee shall maintain monthly records of crude oil throughputs. The monthly records shall be summed for the previous 12 months. Crude oil throughput totals for any of these 12 month periods in excess of the specified limit shall be considered a violation of this condition. Prior to exceeding these limits, the permittee shall apply for, and receive, a permit modification.
- 3. Tanks shall comply with Rule 71.1, "Crude Oil Production and Separation". This includes, but is not limited to, the following requirements:
 - a) Pursuant to Rule 71.1.B.1.a, tanks not listed above as being exempt from vapor recovery shall be equipped with a properly installed, maintained, and operated vapor recovery system. The vapor disposal portion of the vapor recovery system shall consist of a system that directs all vapors to a fuel gas system, a sales gas system, or to a permitted flare or a flare rated at less than 1.00 MMBTU per hour that combusts reactive organic compounds.
 - b) Pursuant to Rule 71.1.D.2, for tanks not listed above as being exempt from vapor recovery, the vapor recovery requirements of Rule 71.1.B.1.a shall not apply during maintenance operation on