Mr. Adam Taing Los Angeles Regional Water Quality Control Board 320 West 4th Street, Suite 200 Los Angeles, California 90013

June 24, 2016

Subject: Disposal of well drilling fluids, well completion fluids and production fluids to land for TEG Oil & Gas USA, Incorporated oil and gas operations in Los Angeles and Ventura County, California.

Dear Mr. Taing,

The following information describes our disposal of well drilling fluids as long as we have owned the, Tapia Field.

Tapia Field - Los Angeles County

To my knowledge there are no current sumps nor do we know of any historical sumps in the Tapia Oil Field.

To my knowledge no discharges to any sump have occurred during the time TEG Oil and Gas USA, Inc. has operated within the Tapia oilfield. All produced water from the Tapia Oilfield is injected into the Hartje #9 injection well to zone 1650'. Annual volume of produced water injected in 2015 was 720,177 bbls.

Eureka Canyon Field - Ventura County

To my knowledge there are no current sumps nor do we know of any historical sumps in the Eureka Canyon Oil Field.

To my knowledge no discharges to any sump have occurred during the time TEG Oil and Gas USA, Inc. has operated within the Eureka Canyon Oil Field. All produced water from the Eureka Canyon Oil Field is injected into the Hol-Har #4 injection well to zone 1950'. Annual volume of produced water injected in 2015 was 16,057 bbls.

I, Darren Katic, 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 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.

Please feel free to call me if you have any questions or concerns. Sincerely,

Darren Katic,

President TEG Oil & Gas USA 326 S. Pacific Coast Highway, Suite 102 Redondo Beach, CA 90277 310.846.7258