



January 15, 2016

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

Re: **Order No. R4-2015-0472**

Dear LA RWQCB,

Pursuant to the subject order and your letter dated December 18, 2015, Peak Operator LLC submits the following response:

1. Peak Operator LLC (“**Peak**”) is the internal operator for Peak Oil Holdings LLC which is the holder of the assets and leases. Peak has operated in the Oxnard Oil Field since October, 2012 and the S. Saticoy Field since December, 2012.
2. Peak has only drilled wells one a single lease in the Oxnard Oil Field, in 2013. All drilling has included a closed loop mud system and all fluids and cuttings were disposed offsite at approved oilfield facilities (Anterra in Oxnard and SCWW in Santa Paula).
3. During our production operations in both referenced fields, the use of sumps is not permitted under company policy; all waste fluids and solid waste is captured in bins or tanks and disposed offsite at approved oilfield disposal facilities (Anterra in Oxnard and SCWW in Santa Paula).
4. In short, no oilfield waste discharge to sumps or land have occurred during Peak’s operations in Ventura County, CA. Records of all discharges are available for review upon request.

I, Robert Bell, certify under penalty of law that I have personally examined and am familiar with the information submitted in this document and all attachments (none) and that, based on my inquiry of those individuals immediately responsible for obtaining the information, I believe that the information in this letter is true, accurate, and complete. I am aware that there are significant penalties for submitting false information, including the possibility of fine and imprisonment.

Respectfully,

Robert A. Bell, President & CEO 300 E. Esplanade Drive, Suite 1810, Oxnard, CA 93036 (805) 436-2555