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9 Attorney for Petitioner Grayson Services, Inc.

10 **BEFORE THE CALIFORNIA STATE**
11 **WATER BOARD**

12 **IN RE MATTER OF THE PETITION OF**
13 **GRAYSON SERVICES, INC., KCL-E**
14 **LEASE**

15 FOR REVIEW OF CALIFORNIA WATER
16 BOARDS, CENTRAL VALLEY REGIONAL
17 WATER VALLEY CONTROL BOARD

18 **PETITION FOR REVIEW AND REQUEST**
19 **FOR STAY OF CLEANUP AND**
20 **ABATEMENT ORDER R5-2015-0730**
21 **(CAO) FOR GRAYSON SERVICE, INC.**
22 **PURSUANT TO WATER CODE §13307.5;**
23 **PRELIMINARY MEMORANDUM OF**
24 **POINTS AND AUTHORITIES; REQUEST**
25 **INVESTIGATIVE PERIOD AND FOR**
26 **HEARING; DECLARATION OF**
27 **DOUGLAS L. MAHAFFEY**

28 **[WATER CODE §§13320, 13321; 23 CCR**
§2050, et seq.]

20 In accordance with section 13320 of the Water Code, Petitioner, GRAYSON SERVICES,
21 INC., ("GSI") hereby petitions the State Water Resources Control Board ("Water Board") to
22 review the action and failure to act by the California regional Water Valley Control Board for the
23 Central Valley Region ("Regional Board") in issuing, CAO dated August 31, 2015 for the KCL-
24 E Lease Canal Oil. A copy of the CAO is attached hereto as **Exhibit A**.

25 Additionally, GSI requests a Stay during the period of review pursuant to Water Code
26 §13321 and with Title 23, California Code of Regulations, section 2053 while this petition is being
27 considered and until a determination has been made.

28 A summary of the basis for GSI's Petition for Review and preliminary statement of points

1 and authorities are set forth in this Petition in accordance with Title 23, California Code of
2 Regulations, section 2050(a). GSI reserves the right , as necessary, to file supplement points and
3 authorities in support of its petition for review once the administrative record becomes available.

4 **1. NAME, ADDRESS, TELEPHONE NUMBER, AND EMAIL ADDRESS OF**
5 **PETITIONER:**

6 Petitioner, GRAYSON SERVICES, INC., ("GSI") information is as follows:
7 Grayson Services, Inc.
8 c/o Bob Grayson
9 1845 Greeley Road
10 Bakersfield, CA 93268
11 661-330-4579

12 However, all materials in connection with this Petition for Review and Stay should also be
13 sent to GSI's counsel as follows:

14 Douglas L. Mahaffey
15 MAHAFFEY LAW GROUP, PC
16 20162 SW Birch Street, Suite 300
17 Newport Beach, CA 92660
18 (949)833-1400
19 dougm@mahaffeylaw.com

20 **2. THE SPECIFIC ACTION OF THE REGIONAL BOARD WHICH THE STATE**
21 **BOARD IS REQUESTED TO REVIEW**

22 GSI seeks review of the action and failure to act of the Regional Board in connection with
23 the issuance of the August 31, 2015 CAO, Exhibit A. Specifically, the prior draft CAO
24 unreasonably imposed a deadline of August 7, 2015 for completing all comment with regard to the
25 Draft CAO. In imposing this deadline, Regional Board failed to act in a manner required by Water
26 Code section 13307.5, as the deadline required GSI to provide comment prior to the expiration of
27 the 30 days permitted by code. The Regional Board thereby acted to infringe upon the statutory
28 rights of GSI. **3. THE DATE ON WHICH THE REGIONAL BOARD ACTED:**

Regional Board acted on August 31, 2015 which is the date of CAO.

4. **A FULL AND COMPLETE STATEMENT OF REASONS THE ACTION OR**
FAILURE TO ACT WAS INAPPROPRIATE OR IMPROPER.

Water Code § 13307.5 specifically states:

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The regional board shall take all of the following actions when reviewing or approval a cleanup proposal from a primary or active responsible discharger with respect to a site issued a cleanup and abatement order pursuant to Section 13304...provide no less than 30 days for an interested person to review and comment on the cleanup proposal regarding the site. The regional board shall consider any comments received before taking final action on a cleanup proposal regarding the site.

The agency was required to provide GSI until August 23, 2015 to provide comment to the draft Order. The minimum time permitted by the code was not provided to GSI.

Additional time was necessary because the draft CAO appeared to be incomplete as it does not provide adequate information to respond and GSI requires additional time to investigate the statements made therein.

Investigation was necessary because GSI has never discharged any production water and submitted water reports as requested that showed no violation of law. (See GSI's responses to Notice of Violation dated March 31, 2015, **Exhibit B and May 1, 2015, Exhibit C**). It is believed that others may have been the responsible parties for the discharge alleged as Grayson, Inc. has not been the historical operator who utilized the pumps which are alleged to have caused discharge into the ponds in questions.

Additionally, Grayson, Inc., in response to an order requiring testing has provided testing to the Regional Water Board indicating there has been no violation. Exhibit C includes three reports from analytical testing provided by qualified laboratories under the control of Midway Lab. As Exhibits 1 and 2 of Exhibit C attached hereto indicate, there were no constituents that exceed any limits regarding the characteristics of corrosivity, nor any characteristics of toxicity (TCLP-metals organics table one).

Additionally, two separate samples were taken, in order to comply with the Water Board requirements in both showed non-hazardous characteristics for these testings. At Exhibit 4 to Exhibit C attached hereto, is a Bioassay Test on both samples to determine whether or not the samples would violate the Microbiological Parameters by the California Department of Fish and Game. As indicated, that test also passed on both samples. This further confirms the non-hazardous nature of the subject constituents.

1 Therefore, additional time is necessary to investigate and to coordinate evidence to be
2 presented at a hearing to prove that Grayson was not the historical operator of the pumps and ponds
3 in question and to determine if in fact there exist any evidence of discharge during the period of
4 GSI's interest in the Canal Lease at all, and whether there were prior incidents of discharge that
5 would cause others to be liable for any investigation and potential remedial action related to the
6 pond subject to the Canal Lease.

7 **5. THE MANNER IN WHICH PETITIONER IS AGGRIEVED**

8 Based on the foregoing, the action taken by the Board in providing less than 30 days
9 comment and in its prior conduct indicating that a request for an extension would be futile. The
10 truncated period of time to respond was unlawful and unreasonable and will result in prejudice to
11 GSI who has not been afforded reasonable opportunities to provide comment in response to the
12 Draft Order. A reasonable period of time has been requested to gather information including the
13 investigations of the Regional Board, as well as others is required to determine what exactly the
14 regional Board contends is the violation, and then an opportunity to assess those facts with the
15 facts known to GSI and others. (See attached declaration of Douglas L. Mahaffey).

16 The CAO requires GSI to undertake costly, time-consuming actions, including monitoring,
17 studies, and reports within specified timeframes and work plan by October 31, 2015. These costly
18 endeavors may not be the responsibility of GSI. Therefore, the imposition of the costs and burdens
19 on GSI, including the potential for unwarranted enforcement actions and penalties may be entirely
20 unwarranted.

21 **6. THE SPECIFIC ACTION BY THE STATE OR REGIONAL BOARD WHICH**
22 **PETITIONER REQUESTS:**

23 GSI seeks an Order by the State Water Board withdrawing and/or invalidating the CAO
24 issued by regional Board, and requests that State Water Board provide direction to the Regional
25 Board consistent with the arguments in the Petition. Specifically, GSI requests the State Water
26 Board to do the following:

27 A. Issue an order of stay of enforcement of the CAO pursuant to Water Code §13321
28 and 23 CCR 2053;

- 1 B. Order the Regional Board to turn over its entire investigation file to Petitioner; and
2 C. Permit an investigative period to include access to the investigations performed by
3 the Regional Water Board and others as referenced in the CAO, including formal subpoena powers
4 for the Petitioner to conduct discharge of third parties.
5 D. Set a public hearing to allow Grayson to produce the evidence described herein.

6 **7. STATEMENT OF POINTS AND AUTHORITIES IN SUPPORT OF LEGAL ISSUES**
7 **RAISED IN THE PETITION:**

8 GSI asserts that the the action and failure to act of the Regional Board in connection with
9 the issuance of the July 24, 2015 Draft CAO, and CAO on August 31, 2015, Exhibit A, was
10 unreasonable and caused an unreasonable infringement on GSI's rights and ability to provide
11 adequate comment to the draft CAO prior to issuance of the CAO.

12 Water Code § 13307.5 specifically states:

13 The regional board shall take all of the following actions when
14 reviewing or approval a cleanup proposal from a primary or active
15 responsible discharger with respect to a site issued a cleanup and
16 abatement order pursuant to Section 13304...provide no less than
17 30 days for an interested person to review and comment on the
18 cleanup proposal regarding the site. The regional board shall
19 consider any comments received before taking final action on a
20 cleanup proposal regarding the site.

21 Accordingly, the agency was required to provide GSI until August 23, 2015 to provide
22 comment to the draft Order. The minimum time permitted by the code was not provided to GSI.

23 Additionally, the draft CAO was incomplete because it did not provide adequate
24 information to respond and GSI requires additional time to investigate the statements made therein
25 and reserves the right to counter the allegations in the draft CAO.

26 The California Legislature has found and declared that activities affecting water quality
27 "shall be regulated to attain the highest water quality which is *reasonable*, considering all demands
28 being made and to be made on those waters and the total values involved, beneficial and
detrimental, economic and social, tangible and intangible.: Water Code §13000 (emphasis added.)

1 This section of the Water Code sets State policy and imposes an overriding requirement on the
2 regional Boards that all orders be reasonable considering all circumstances.

3 Here, the deadline provided by Regional Water board was less than the 30 days permitted
4 by the Water Code and was therefore unreasonable. The refusal to permit extensions for comment
5 was also therefore equally unreasonable.

6 Further, given the prior response to the Notice of Violation provided by GSI, and the
7 evidence tending to prove that GSI is not discharging production water into the pond and has not
8 in the past, as well as the testing proving no violation of water quality regulations (Declaration of
9 Douglas L. Mahaffey and Exhibits B and C), coupled with the vaguely referenced investigative
10 reports referenced in the draft CAO, it is clear that it would be unreasonable to refuse to permit
11 GSI an opportunity to have additional time to investigate and to have access to the regional Water
12 Board's investigations. If GSI is not in fact discharging production water into the pond and others
13 may potentially be responsible for any water quality issue concerning the Canal Lease, it would
14 be unreasonable to impose the costly plan set forth in the draft CAO on GSI.

15 The State Board has the authority pursuant to Water Code §13321 and Title 23 California
16 Code of Regulations 2053 to issue an Order staying the enforcement of the CAO while this petition
17 is being considered and until a determination has been made.

18 **8. STATEMENT THAT THE PETITION HAS BEEN SENT TO THE REGIONAL**
19 **BOARD AND TO THE DISCHARGER, IF NOT THE PETITIONER:**

20 A true and correct copy of this Petition was mailed by First Class mail on August 7, 2015
21 to the Regional Board at the following address:

22 SEE ATTACHED PROOF OF SERVICE.

23 The Petitioner in this case is the recipient of the draft CAO, therefore, a petition was not
24 mailed separately to the recipient.

25 **9. STATEMENT THAT SUBSTANTIVE ISSUES OR OBJECTIONS RAISED IN THE**
26 **PETITION WERE RAISED BEFORE THE REGIONAL BOARD:**

27 Pursuant to Water Code section 13627, the draft CAO was issued by W. Dale Harvey of
28 the Regional Board. (A). Additionally, prior to the issuance of the draft CAO, GSI provided a

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response to a notice of violation and provided information evidencing GSI had not been a discharger of production water into the pond and pursuant to the Bear Valley Lease. (Exhibits B and C). This was addressed to Julie Macedo, Senior Staff Counsel at the Regional Board.

MAHAFFEY LAW GROUP, PC



Dated: September 25, 2015

By: _____
DOUGLAS E. MAHAFFEY
Attorney for Petitioner Grayson Services, Inc.

REQUEST FOR STAY

1. THERE WILL BE SUBSTANTIAL HARM TO THE PETITIONER OR TO THE PUBLIC INTEREST IF A STAY IS NOT GRANTED

At this time, the CAO will subject GSI to enforcement action should GSI not comply with the Order. The CAO is based on the premise that GSI “operates a petroleum production wastewater discharge facility at its KCL-E Lease in the Canal Oil Field. ...The KCL-E Lease contains four unlined surface impoundments (ponds). Wastewater and oil has been stored in one netted and concrete lined pond ... oil filed productions wastewater has also been discharged into ponds 2 and 3... .” It is alleged that there exists wastewater and oil at varying levels as to each pond. However, while four ponds are mentioned, there is no indication as to what issues there may be relative to pond 4. These alleged “facts” are based on an unknown source of information. Despite providing statements that Grayson Oil has not been an operator of the pumps and ponds described in the CAO, the fact that Grayson has a lease with respect to said property alone appears to be the basis for the imposition of an order requiring that extremely expensive studies be performed that may include a full leasehold and historical operator title search be conducted and complex hydrogeological studies to determine and monitor the quality of the discharged water in the pond.

Should GSI not be permitted a stay of the CAO to investigate and introduce evidence discussed in the Petition, GSI will be subject to the enforcement proceedings as designated in the CAO, and forced to commence further administrative and Superior Court proceedings to compel the Regional Board to show its proof of these claims.

This is also not in the public interest because Water Code section 13000 clearly states the Legislative intent to have the actions to ensure water quality to be done in a reasonable manner. It does not serve the promulgated reasonable standard to disallow sufficient time to respond to the draft CAO in this circumstance where the entire premise for imposition of the draft order conditions is an unspecified source of information. This is not a case where actual discharge activities from the offending party have been observed and documented. This is a case of pure speculation on every foundational issue. It also is not in the public interest to refuse reasonable

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1 investigation to determine if in fact there is in responsibility for the alleged conduct, before an
2 order is issued.

3 **2. THERE WILL BE NO SUBSTANTIAL HARM TO OTHER INTERESTED**
4 **PARTIES AND THE PUBLIC IF A STAY IS GRANTED**

5 The Regional Board has stated no known violation of water quality regulations to have
6 occurred or are actually known at this time. The entirety of the CAO states that certain potentials
7 of water contamination may occur or can occur in general terms of hypotheticals and does not
8 suggest or state any known violations. Therefore, no urgency now exist to remedy what is merely
9 speculated as being potential impact to the water table. Under these circumstances there can be
10 no substantial harm to other interested parties or to the public should the Water Board issue a stay
11 for the brief period requested.

12 **3. THERE ARE SUBSTANTIAL QUESTIONS OF FACT OR LAW REGARDING**
13 **THE DISPUTE ACTION.**

14 There is a substantial question of fact concerning the primary premise under which the
15 CAO was issued as addressed herein—whether in fact GSI operates a discharge facility and causes
16 drainage into the pond. GSI asserts that if there is any discharge into the pond then it is the result
17 of the conduct of others. GSI asserts that if there is any detriment caused to groundwater it is also
18 the act of others.

19 If the stay is not issued to permit GSI to investigate and introduce evidence address this
20 issue, then the Water Board may seek a violation of the CAO to a party who has no fault and
21 insufficient time to prove the actual parties at fault, if there is actually any discharge that has
22 occurred in the past.

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24 **MAHAFFEY LAW GROUP, PC**

25
26 Dated: September 25, 2015

27 By: 

28 DOUGLAS L. MAHAFFEY
Attorney for Petitioner Grayson Services, Inc.

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DECLARATION OF DOUGLAS L. MAHAFFEY, ESQ.

1. I am an attorney duly licensed to practice law before all courts in the State of California. I represent Grayson Services, Inc., (“GSI”).

2. I need discovery rights and at least 120 days to investigate the basis of the CAO, including the right to subpoena records, take depositions and review the Regional Board’s files related to their charges in this matter. **I request a stay and an order allowing those discovery devices to be used forthwith.**

3. Attached hereto as **Exhibit A** is a true and correct copy of the CAO dated August 31, 2015 issued by the regional Board.

4. Attached hereto as **Exhibit B** is a true and correct copy of the letter dated March 17, 2015 which was sent to Dane Johnson, Sr. Engineering Geologist at the Regional Board in response to a notice of violation. In that letter, I explained that GSI has no production discharge water that was drained in to the Canal Lease ponds. Further, I supplied information concerning other potential persons who may be responsible if there was any water in the ponds. The source is not GSI, or any person acting under legal right as authorized by GSI.

5. Attached hereto as **Exhibit C** is a true and correct copy of a letter dated May 1, 2015 which was sent to Julie Macedo, Senior Staff Counsel at the Regional Board in further response to a notice of violation. In that letter, I attached three reports from analytical testing provided by qualified laboratories under the control of Midway Lab. As Exhibits 1 and 2 of Exhibit C attached hereto indicate, there were no constituents that exceed any limits regarding the characteristics of corrosivity, nor any characteristics of toxicity (TCLP-metals organics table one). Additionally, two separate samples were taken, in order to comply with the Water Board requirements in both showed non-hazardous characteristics for these testings. At Exhibit 4 to Exhibit C attached hereto, is a Bioassay Test on both samples to determine whether or not the samples would violate the Microbiological Parameters by the California Department of Fish and Game. As indicated, that test also passed on both samples. This further confirms the non-hazardous nature of the subject constituents.

6. A stay of the CAO should be permitted while the Petition for Review is being determined to assure GSI has a fair and reasonable opportunity to see the investigative files of the

1 water board and/or to conduct its own investigations so that this fundamental issue can be properly
2 addressed. The CAO requires a very costly plan to investigate and report with oversight
3 investigations and reporting by authorities at GSI expense.

4 7. Specifically, the CAO contains a number of very burdensome items, that are
5 premised on the stated existence of certain wastewater and oil levels existing in ponds 1 through
6 3 and no statement of any levels of any substance in pond 4. However, no basis for these findings
7 is stated in the draft CAO. Further, as Grayson does not operate the pumps associated with these
8 ponds, and has not for 40 years, it is unknown how the Regional Board has reached its conclusions
9 that Grayson Service has in fact, discharged water.

10 8. Then, in response to an order requiring testing of the ponds, Grayson has submitted
11 testing results indicating there is no violation of any water quality testing. Therefore, the issuance
12 of the CAO is not based on any evidentiary basis and rather mere speculation.

13 9. Efforts have been under taken by the petitioner to ascertain the basis of the issuance
14 of the CAO, and there has been no meaningful response from the Regional Board, including but
15 not limited to, the failure to produce any of the investigation notes, or records supporting the
16 conclusions that the water was not from rain, whether precipitation as opposed to waste discharge,
17 and any basis to suggest that petitioner had any involvement with the lease and or the accumulation
18 of water in the pond.

19 10. Additionally, there has been no data supporting the conclusion that the pond
20 contains any hydrocarbon substances, or other compounds that could conceivably percolate into
21 the ground water and thus, cause any risk.

22 11. Notwithstanding the lack of any evidence re proof, CAO proposes, that petitioner
23 has been historically discharging water into the pond and then requests an enormously, expensive,
24 and time consuming process. , including the first item which is, "Identify all owners of the surface
25 rights and the mineral rights of the KCL-E Lease."

26 12. As a practicing oil & gas attorney for approximately 30 years, I can attest that this
27 exercise of obtaining title ownership of all mineral and leasehold owners, including a study of all
28 farm outs, operating agreements, oil and lease assignments, and the general activities that have

1 occurred at this lease, which commenced initial operation approximately 75 years ago in this
2 formation, will take literally months and tens of thousands of dollars to acquire. Only a specialists
3 in the oil & gas landman investigation services, are qualified to conduct these types of leasehold
4 title searches, and only when provided substantial time and opportunity to research the historical
5 records to determine what appears of public record. Even when the searches are completed there
6 is no certainty of ownership, as many are private transactions, wherein there is no recorded record
7 of the actual assignments or transfer of interest. According to this item alone, is extremely
8 burdensome, and inappropriate based on the speculative assumption.

9 13. The second item, which is to conduct a hydrogeological site characterization to
10 assess the effects of discharge of oil filled waste on underlying groundwater, is likewise, extremely
11 burdensome. Because there has been no discharge historically by this petitioner, and these ponds
12 have been out of use for a substantial period of time, there is no meaningful way to conduct this
13 characterization, without effectively creating an artificial environment to force water through the
14 materials and then make a non-relevant assessment as to alleged impact. Effectively, this is request
15 for a non-responsible party to conduct a scientific experiment, as to what rainstorms will do when
16 they hit old abandon oil and gas filled ponds. Certainly, no such lawful right exists to compel such
17 a study.

18 14. Request C and D, requires monitoring and sampling location wells, if necessary,
19 and sampling and analysing whether this for groundwater and soils samples, is equally burdensome
20 and by itself could cost in excess of \$50,000.00, just for the retention of a consultant, in installation
21 of such groundwater monitoring wells.

22 15. Section G, requires a site well survey to identify "All water supply wells within a
23 one mile radius of the pond." This is equally burdensome, as this is an active oil and gas filled
24 operation and there are countless abandon and currently operating injection wells, as well as other
25 water sources that could conceivably be considered as within one mile of this particular gas well.
26 The KCL-E Lease in the Canal Field is a very active field, and such a study will also require
27 initiation of rights to enter on to other parties properties which could only be compelled through
28 force of court orders. Such an extreme requirement is wholly unjustified under the circumstances

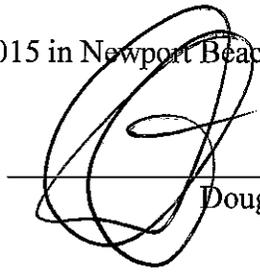
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of pure speculation that petitioner has any involvement with the alleged discharge of water.

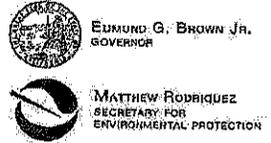
16. Accordingly, it is requested that petitioner be allowed to investigate thoroughly to understand the basis by which the Regional Board is assessing that petitioner has any involvement with this purported discharge. Petitioner has already complied with the testing demanded by the regional Board and provided the results of the same (Exhibit C). A minimum of ninety (120) days after there has been the issuance of proper discovery powers, and/or an order that the Regional Water provide full access to its records, is necessary to examine these issues and further present findings based on the examination. It is wholly unreasonable to compel petitioner into this extreme circumstance of responding to an order for conditions petitioner has no fault, and to which there is no meritorious evidence relied on by the Regional Board.

I declare under penalty of perjury of the laws of the State of California that the foregoing is true and correct. Executed this 25th, day of September, 2015 in Newport Beach, California.



Douglas L. Mahaffey

Exhibit "A"



EDMUND G. BROWN JR.
GOVERNOR

MATTHEW RODRIGUEZ
SECRETARY FOR
ENVIRONMENTAL PROTECTION

Central Valley Regional Water Quality Control Board

31 August 2015

Grayson Service, Inc.
Bob Grayson, Sr.
1845 Greeley Rd.
Bakersfield, CA 93314

CERTIFIED MAIL
7015 0640 0003 6851 2590

CLEANUP AND ABATEMENT ORDER NO. R5-2015-0730, GRAYSON SERVICE, INC., KCL-E LEASE, CANAL OIL FIELD, KERN COUNTY

Enclosed is Cleanup and Abatement Order No. R5-2015-0730 (CAO), and Monitoring and Reporting Program No. R5-2015-0730 (MRP), for the disposal ponds in the KCL-E Lease in the Canal Oil Field.

The CAO requires Grayson Service, Inc. to submit, by **30 October 2015**, a Work Plan and time schedule to determine whether the discharge can comply with applicable laws, policies, and regulations that would allow the issuance of waste discharge requirements.

Please submit your Work Plan to the attention of:

Zachary Jarvie
Central Valley Water Board
1685 E Street
Fresno, CA 93706
Zachary.Jarvie@waterboards.ca.gov

The CAO and MRP requires Grayson Service, Inc., to perform specific tasks by specific dates. Failure to comply with the CAO and MRP will subject Grayson Service, Inc., to further enforcement actions including the potential assessment of civil liability.

If you have any questions regarding this matter, please contact Zachary Jarvie of this office at (559) 445-5455 or at the above e-mail address.

RONALD E. HOLCOMB
Senior Engineering Geologist
CEG No. 2390

CC: Julia Macedo, Office of Enforcement, State Water Resources Control Board
Patrick Pulupa, Office of Chief Counsel, State Water Resources Control Board
John Borkovich, Division of Water Quality, State Water Resources Control Board

KARL E. LONGLEY, SCD, P.E., CHAIR | PAMELA C. CREEDON, P.E., BCEE, EXECUTIVE OFFICER

1685 E Street, Fresno, CA 93706 | www.waterboards.ca.gov/centralvalley

**CALIFORNIA REGIONAL WATER QUALITY CONTROL BOARD
CENTRAL VALLEY REGION**

**CLEANUP AND ABATEMENT ORDER NO. R5-2015-0730
GRAYSON SERVICE, INC.
KCL-E LEASE, CANAL OIL FIELD
KERN COUNTY**

The California Regional Water Quality Control Board, Central Valley Region (hereafter Central Valley Water Board), finds that:

1. Grayson Service, Inc. (hereinafter Discharger) operates a petroleum production wastewater discharge facility at its KCL-E Lease in the Canal Oil Field (KCL-E Lease). The KCL-E Lease, approximately four and a half miles south of Calders Corner (Assessor's Parcel Number 160-070-03-00-7), is located in Section 14, T30S, R25E, MDB&M.
2. The KCL-E Lease contains four surface impoundments (ponds). Wastewater and oil have been stored in one netted and concrete lined pond measuring approximately 60 ft. long by 60 ft. wide and 3.5 ft. deep (Pond 1). Oil field production wastewater has also been discharged into ponds 2 and 3. Pond 2 is concrete lined and netted measuring approximately 16 ft. square by 6 ft. deep. Pond 3 is unlined and measured approximately 60 ft. long by 60 ft. wide with a 3 ft. berm above grade. Pond 4 is an unlined netted pond measuring approximately 20 ft. square.
3. The Discharger has not submitted a Report of Waste Discharge. The KCL-E Lease is not regulated by Waste Discharge Requirements (WDRs) for the discharge of petroleum production wastewaters.
4. This Order contains a time schedule to achieve compliance with the California Water Code (Water Code) and the *Water Quality Control Plan for the Tulare Lake Basin Second Edition, Revised January 2004* (Basin Plan), and requires that by 31 December 2016, the Discharger demonstrate that the discharge to these ponds can comply with the applicable laws, policies, and regulations or the discharge will have to cease by that date.
5. The Basin Plan designates beneficial uses, establishes water quality objectives, and contains implementation plans and policies for all waters of the Basin.
6. Surface drainage is to the southwest in the Kern Delta Hydrologic Area (557.10) which is part of the South Valley Floor Hydrologic Unit in the Tulare Lake Basin. The designated beneficial uses of Valley Floor Waters, as specified in the Basin Plan, are agricultural supply; industrial service and process supply; water contact and non-contact water recreation; warm fresh water habitat; preservation of rare, threatened and endangered species; and freshwater replenishment.
7. The KCL-E Lease is in the Kern County Basin Hydrologic Unit, Detailed Analysis Unit (DAU) 254. The designated beneficial uses of the groundwater, as specified in the Basin Plan for DAU 254, are municipal and domestic water supply; agricultural supply;

industrial service and process supply; water contact and non-contact water recreation; and wildlife habitat.

8. This Cleanup and Abatement Order is based upon: 1) Chapter 5, Enforcement and Implementation commencing with section 13300, of the Porter-Cologne Water Quality Control Act (Water Code Division 7, commencing with section 13000); 2) Water Code section 13267¹, Investigations; inspections, Chapter 4, Regional Water Quality Control; 3) all applicable provisions of the Basin Plan including beneficial uses, water quality objectives, and implementation plans; 4) California State Water Resources Control Board (State Water Board) Resolution No. 68-16 (*Statement of Policy with Respect to Maintaining High Quality of Waters in California*); 5) State Water Board Resolution No. 92-49 (*Policies and Procedures for Investigation and Cleanup and Abatement of Discharges Under Water Code section 13304*); and 6) all other applicable legal authority.
9. The Basin Plan sets forth the following specific waste constituent limits for discharges of oil field wastewater to unlined ponds overlying groundwater with existing and future probable beneficial uses:

Constituent	Limitation	Units
Electrical Conductivity (EC):	1000	micromohs per centimeter ($\mu\text{mhos/cm}$)
Chloride:	200	milligrams per liter (mg/L)
Boron:	1	mg/L

10. The Basin Plan allows discharges of oil field wastewater that exceed the above maximum salinity limits to unlined ponds, stream channels, or surface waters if the Discharger successfully demonstrates to the Central Valley Water Board in a public hearing that the proposed discharge will not substantially affect water quality nor cause a violation of water quality objectives.
11. In January 2015, the Central Valley Water Board issued a Notice of Violation (NOV) to the Discharger that was the result of an inspection conducted on 18 December 2014. The NOV alleged that the discharge was in violation of Section 13260 of the California Water Code for failing to submit a Report of Waste Discharge. Discharging waste that could affect the quality of waters of the State without obtaining WDRs is a violation of Sections 13260 and 13264 of the California Water Code.

¹ Water Code section 13267, subdivision (b)(1) states: "In conducting an investigation specified in subdivision (a), the regional board may require that any person who has discharged, discharges, or is suspected of having discharged or discharging, or who proposes to discharge waste within its region, or any citizen or domiciliary, or political agency or entity of this state who has discharged, discharges, or is suspected of having discharged or discharging, or who proposes to discharge, waste outside of its region that could affect the quality of waters within its region shall furnish, under penalty of perjury, technical or monitoring program reports which the regional board requires. The burden, including costs, of these reports shall bear a reasonable relationship to the need for the report and the benefits to be obtained from the reports. In requiring those reports, the regional board shall provide the person with a written explanation with regard to the need for the reports, and shall identify the evidence that supports requiring that person to provide the reports."

12. In April 2015, the Central Valley Water Board issued a California Water Code Directive Pursuant to Section 13267 to the Discharger. It required the Discharger to collect and analyze a wastewater sample obtained from each pond that it operates and submit that data in a technical report to the Central Valley Water Board no later than 15 June 2015.
13. As of 31 August 2015 the Central Valley Water Board has not received a response to the California Water Code Directive Pursuant to Section 13267 that was issued to the Discharger in April 2015.
14. Section 13304(a) of the Water Code provides that:

Any person who has discharged or discharges waste into the waters of this state in violation of any waste discharge requirement or other order or prohibition issued by a regional board or the state board, or who has caused or permitted, causes or permits, or threatens to cause or permit any waste to be discharged or deposited where it is, or probably will be, discharged into the waters of the state and creates, or threatens to create, a condition of pollution or nuisance, shall upon order of the regional board, clean up the waste or abate the effects of the waste, or, in the case of threatened pollution or nuisance, take other necessary remedial action, including, but not limited to, overseeing cleanup and abatement efforts. A cleanup and abatement order issued by the state board or a regional board may require the provision of, or payment for, uninterrupted replacement water service, which may include wellhead treatment, to each affected public water supplier or private well owner. Upon failure of any person to comply with the cleanup or abatement order, the Attorney General, at the request of the board, shall petition the superior court for that county for the issuance of an injunction requiring the person to comply with the order. In the suit, the court shall have jurisdiction to grant a prohibitory or mandatory injunction, either preliminary or permanent, as the facts may warrant.

15. Oil field produced water can contain elevated concentrations of general minerals (especially total dissolved solids and chloride), metals (i.e., arsenic), trace elements (i.e., boron, strontium, thallium, lithium, etc.), petroleum hydrocarbons, polynuclear aromatic hydrocarbons (PAHs), volatile organic compounds (VOCs, i.e., benzene, toluene, ethylbenzene, and xylenes [BTEX]), and radionuclides. The unauthorized discharge of waste containing oil field waste constituents to ground and/or groundwater creates, or threatens to create, a condition of pollution in groundwater, and may result in the degradation of water quality.
16. Except to the southwest, land is being used for agricultural production within 7 miles the KCL-E Lease. The nearest irrigated crops are approximately two miles north of the lease. Many of the crops may be irrigated with groundwater from local supply wells in conjunction with canal water. Based on Ayers and Westcott (1985), irrigation water with a chloride concentration above 350 mg/l can cause severe crop problems. Boron toxicity can occur on sensitive crops at concentrations greater than 0.5 mg/l in irrigation water.

Grayson Service, Inc.
KCL-E Lease, Canal Oil Field
Kern County

17. Underlying groundwater may be degraded if mixed with oil field wastewater. Oil field wastewater constituents could impair the groundwater for municipal and domestic supply and agricultural supply uses.
18. An investigation is necessary to determine whether the discharge of wastewater has caused or threatens to cause a condition of pollution in groundwater or the development of nuisance conditions.
19. The following actions will determine the threat and/or impacts to groundwater as a result of the discharges at the KCL-E Lease in violation of the Water Code:
 - a. Development of a work plan to conduct a hydrogeological site characterization and assess potential groundwater degradation by discharges from this facility;
 - b. Documentation of the average monthly volume of wastewater discharged to the ponds during the previous year will be submitted, and continued discharge during the investigation will not exceed the average monthly discharge rate calculated for the prior year; and
 - c. This Order requires that if degradation of groundwater due to discharge from any of the ponds is documented, then a work plan to delineate the nature and extent of the release and a plan to remediate the effects of the release must be submitted.
20. The deliverables ordered herein (work plans, signing up for WDRs, investigations, etc. as necessary) are needed to provide information to the Central Valley Water Board regarding (a) the nature and extent of the discharge, (b) the nature and extent of pollution conditions in State waters created by the discharge, (c) the threat to public health posed by the discharge, and (d) appropriate cleanup and abatement measures. The deliverables will enable the Discharger, with concurrence from the Central Valley Water Board, to determine the vertical and lateral extent of the discharge, ascertain whether the condition of pollution poses a threat to human health in the vicinity of the KCL-E Lease, and provide technical information to determine the cleanup and abatement measures necessary to bring the Site into compliance with applicable water quality standards. Based on the nature and possible consequences of the discharges, including impacts to groundwater supply, the burden of providing the required information, including costs, bears a reasonable relationship to the need for the required reports, and the benefits to be obtained from the reports. The deadlines set forth herein are reasonable given the need to investigate the potential threat to groundwater quality.
21. In accordance with Water Code section 13267(b), these findings provide the Discharger with a written explanation with regard to the need for remedial action and reports, and identify the evidence that supports the requirement to implement investigative activities, to implement cleanup and abatement activities if needed, and to submit the reports. The Discharger owns a portion of the mineral rights and operates the KCL-E Lease which is subject to this Cleanup and Abatement Order. The technical and monitoring reports required by this Order are necessary to determine compliance with this Cleanup and

Abatement Order.

22. Issuance of this Cleanup and Abatement Order is being taken for the protection of the environment and as such is exempt from provisions of the California Environmental Quality Act (CEQA) (Public Resources Code section 21000 et seq.) in accordance with California Code of Regulations, title 14, sections 15061(b)(3), 15306, 15307, 15308, and 15321. This Cleanup and Abatement Order generally requires the Discharger to submit plans for approval prior to implementation of investigative and, if necessary, cleanup activities at the KCL-E Lease. Mere submission of plans is exempt from CEQA as submission will not cause a direct or indirect physical change in the environment and/or is an activity that cannot possibly have a significant effect on the environment. CEQA review at this time would be premature and speculative, as there is not enough information concerning the Discharger's proposed remedial activities and possible associated environmental impacts. If the Central Valley Water Board determines that implementation of any plan required by this Cleanup and Abatement Order will have a significant effect on the environment, the Central Valley Water Board will conduct the necessary and appropriate environmental review prior to the Executive Officer's approval of the applicable plan.
23. The Discharger will bear the costs, including the Central Valley Water Board's costs, of determining whether implementation of any plan required by this Cleanup and Abatement Order will have a significant effect on the environment and, if so, in preparing and handling any documents necessary for environmental review. If necessary, the Discharger and a consultant acceptable to the Central Valley Water Board shall enter into a memorandum of understanding with the Central Valley Water Board regarding such costs prior to undertaking any environmental review.

IT IS HEREBY ORDERED that, pursuant to section 13304 and section 13267 of Division 7 of the California Water Code, Grayson Service, Inc. shall cease the discharge of wastewater in violation of applicable laws, policies, and regulations, and clean up and abate the condition of unauthorized discharge in accordance with the schedule below:

1. **By 30 October 2015**, the Discharger shall prepare and submit to the Central Valley Water Board a Work Plan with a time schedule proposed by the Discharger and approved by the Assistant Executive Officer. The schedule shall provide the ability to determine whether the discharge can comply with applicable laws, policies, and regulations that would allow the issuance of waste discharge requirements by 31 October 2016. If issuance of waste discharge requirements is not obtained by 31 December 2016, the discharge shall cease. The Work Plan shall include, but is not limited to, the following tasks:
 - a. Identify all owners of the surface rights and the mineral rights of the KCL-E Lease.
 - b. Conduct a hydrogeological site characterization to assess the effects of the discharge of oil field wastes on underlying groundwater. The characterization

Grayson Service, Inc.
KCL-E Lease, Canal Oil Field
Kem County

shall be conducted in a manner to utilize acquired information to further assess the impacts of the wastewater discharge on groundwater. If the Discharger demonstrates that the wastes discharged to the ponds cannot affect the quality of underlying groundwater, the Assistant Executive Officer may rescind by signed letter all or part of the requirements to complete the groundwater investigation and groundwater monitoring portions of this Order.

- c. The hydrogeological characterization, and a determination whether there has been a release of waste constituents to groundwater, shall be consistent with the detection monitoring requirements of Title 27, CCR, section 20005 et seq. (Title 27). This includes the development of a Sample Collection and Analysis Plan (SCAP); the location and installation of groundwater monitoring wells; soil sampling locations (if necessary); and the sampling and analysis methods for groundwater and soil samples, in accordance with Monitoring and Reporting Program No. R5-2015-0730 (MRP), which is attached hereto and made part of this Order;
- d. Monitoring wells installed for the hydrogeological characterization shall be installed at appropriate depths that will allow the collection of representative groundwater samples. Existing groundwater wells documented to be in appropriate locations, where well depth and construction details can be provided, may be proposed as sampling points;
- e. Collect and submit representative groundwater and soil samples for laboratory analysis for waste constituents in Monitoring and Reporting Program No. R5-2015-0730 in accordance with a SCAP approved by the Assistant Executive Officer;
- f. The methods of analysis and the method detection limits (MDLs) used must be appropriate for the expected concentrations. The laboratory reporting limits (RLs) for all reported monitoring data shall be set no greater than the practical quantitation limit (PQL). MDLs, PQLs and RLs shall be derived by the laboratory for each analytical procedure, according to State of California laboratory accreditation procedures. Analysis with an MDL greater than the most stringent drinking water standard that results in non-detection needs to be reanalyzed with the MDL set lower than the drinking water standard or at the lowest level achievable by the laboratory;
- g. Conduct a well survey to identify all water supply wells within one-mile of the ponds. The Discharger shall sample the identified domestic water supply wells and analyze the samples for the waste constituents listed in Table I of Monitoring and Reporting Program No. R5-2015-0730. If access to private property is needed, requested and denied, a demonstration of that is required;
- h. If the investigation determines that a release of wastewater to groundwater or soils has occurred, the hydrogeological characterization shall include a characterization of the nature and extent of the release consistent with the

evaluation monitoring program requirements contained in section 20425 of Title 27;

- i. If the investigation determines that a release of wastewater to groundwater or soils has occurred, then following the characterization of the nature and extent of the release, a groundwater remediation program shall be submitted for Assistant Executive Officer review and approval that is consistent with the corrective action program requirements contained in section 20430 of Title 27. This will entail the preparation of an engineering feasibility study followed by a proposed corrective action program;
 - j. Based on information acquired during the hydrogeological site characterization, submit a report of waste discharge (RWD) for preparation of waste discharge requirements, if appropriate, consistent with current regulations and policies. It is anticipated that general WDRs for discharges to unlined ponds will be presented to the Central Valley Water Board for adoption by August 2016. Submittal of a Notice of Intent to come under a general WDR, with the additional technical information, will meet the requirement of a RWD.
 - k. Include in the report a table that provides the total monthly discharge in barrels and gallons to the pond(s) subject to this Order from 1 January 2013 to the end of the month immediately preceding the date of the report. The table shall include a description of the sources and volume of each individual waste stream going to each pond.
 - l. Include in the report a calculation of the average monthly discharge of wastes to the ponds from 1 June 2014 through 1 June 2015.
2. Beginning **30 November 2015**, or a date approved by the Assistant Executive Officer, and quarterly thereafter until all Work Plan activities are complete, the Discharger shall submit technical reports that provide information to document the Work Plan activities completed to date and to ultimately document that all elements of the Work Plan have been completed. Corrective actions shall be proposed and included in these technical reports when Work Plan activities fail to satisfy any interim or final success criteria.
 3. The Discharger shall comply with the MRP, which is part of this Order, and any revisions thereto as ordered by the Assistant Executive Officer. The submission dates of self-monitoring reports shall be no later than the submission date specified in the MRP.
 4. The monthly discharge volume of oil field wastewater to the ponds shall not exceed the average monthly discharge volume calculated in Order 1.i. above.
 5. The Discharger shall not discharge produced fluids to any location on the KCL-E Lease other than a permitted injection well, a permitted pond or disposal facility, or the ponds which are the subject of this Order.
 6. The ponds shall either be free of oil or effectively screened and maintained to preclude entry of birds or animals;

7. Ponds adjacent to natural drainage courses shall be protected from inundation or washout, or properly closed;
8. **All activities in the Work Plan shall be completed** in accordance with time frames included in the Work Plan as approved by the Assistant Executive Officer.
9. With each work plan and report required by this Cleanup and Abatement Order, the Discharger shall provide under penalty of perjury under the laws of California a "Certification" statement to the Central Valley Water Board. The "Certification" shall include the following signed statement:

I certify under penalty of law that this document and all attachments were prepared under my direction or supervision in accordance with a system designed to assure that qualified personnel properly gather and evaluate the information submitted. Based on my inquiry of the person or persons who manage the system, or those persons directly responsible for gathering the information, the information submitted is, to the best of my knowledge and belief, true, accurate, and complete. I am aware that there are significant penalties for submitting false information, including the possibility of fine and imprisonment for knowing violations. Pursuant to Water Code section 13350, any person who intentionally or negligently violates a cleanup and abatement order may be liable civilly in an amount which shall not exceed five thousand dollars (\$5,000), but shall not be less than five hundred dollars (\$500), for each day in which the cleanup and abatement order is violated.

10. If it is determined that discharges from the KCL-E Lease have impacted the beneficial uses of water, the Discharger can be further required upon notification by the Assistant Executive Officer to provide a replacement water supply or treat the water to allow continued use by any affected party.

NOTIFICATIONS

1. **Applicability.** Requirements established pursuant to Water Code sections 13304 and 13267(b) are enforceable when signed by the Assistant Executive Officer of the Central Valley Water Board.
2. **Enforcement Actions.** The Central Valley Water Board reserves its right to take any enforcement action authorized by law for violations, including but not limited to, violations of the terms and conditions of this Cleanup and Abatement Order.
3. **Inspection and Entry.** The Discharger shall allow the Central Valley Water Board or State Water Board, and/or their authorized representatives (including an authorized contractor acting as their representative), upon the presentation of credentials and other documents, as may be required by law, to at reasonable times do the following:

Grayson Service, Inc.
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- a. Enter upon the properties;
 - b. Access and copy any records related to this Cleanup and Abatement Order;
 - c. Inspect and photograph any facilities, equipment, practices, or operations regulated or required by this Cleanup and Abatement Order; and
 - d. Sample or monitor any substances or parameters on-site for the purposes of assuring Cleanup and Abatement Order compliance or as otherwise authorized by the Porter-Cologne Water Quality Control Act.
4. **Potential Liability.** Pursuant to Water Code section 13350, any person who intentionally or negligently violates a cleanup and abatement order may be liable civilly in an amount which shall not exceed five thousand dollars (\$5,000), but shall not be less than five hundred dollars (\$500), for each day in which the cleanup and abatement order is violated. Pursuant to Water Code section 13268, any person failing or refusing to furnish technical or monitoring program reports as required by section 13267, or falsifying any information provided therein, is guilty of a misdemeanor, and may be liable civilly in an amount which shall not exceed one thousand dollars (\$1,000) for each day in which the violation occurs.
5. **Cost Reimbursement.** Pursuant to Water Code section 13304, the Central Valley Water Board is entitled to, and may seek reimbursement for, all reasonable costs it actually incurs to investigate unauthorized discharges of waste and to oversee cleanup of such waste, abatement of the effects thereof, or other remedial action, required by this Cleanup and Abatement Order. The Discharger shall reimburse the State of California for all reasonable costs actually incurred by the Central Valley Water Board to investigate unauthorized discharges of waste and to oversee cleanup of such waste, abatement of the effects thereof, or other remedial action, required by this Cleanup and Abatement Order, according to billing statements prepared from time to time by the State Water Board.
6. **Waste Management.** The Discharger shall properly manage, store, treat, and dispose of contaminated soils and groundwater which are extracted or disturbed during the investigation in accordance with applicable federal, state, and local laws and regulations. The storage, handling, treatment, or disposal of soil containing waste constituents and polluted groundwater shall not create conditions of pollution, contamination or nuisance as defined in Water Code section 13050(m). The Discharger shall obtain or apply for coverage under waste discharge requirements or a conditional waiver of waste discharge requirements for any discharge of the waste to (a) land for treatment, storage, or disposal or (b) waters of the State.
7. **Requesting Administrative Review by the State Water Board.** Any person aggrieved by an action of the Central Valley Water Board that is subject to review as set forth in Water Code section 13320(a), may petition the State Water Board to review the action. Any petition must be made in accordance with Water Code section 13320 and California Code of Regulations, title 23, section 2050 and following. The State Water Board must receive the petition within thirty (30) days of the date the action was taken, except that if the thirtieth day following the date the action was taken falls on a Saturday, Sunday, or state holiday, then the State Water Board must receive the petition by 5:00 p.m. on the next business day. Copies of the laws and regulations applicable to filing petitions may

be found on the internet at http://www.waterboards.ca.gov/public_notices/petitions/water_quality/index.shtml or will be provided upon request.

8. **Modifications.** Any modification to this Cleanup and Abatement Order shall be in writing and approved by the Assistant Executive Officer, including any extensions. Any written extension request by the Discharger shall include justification for the delay.
9. **No Limitation of Water Board Authority.** This Cleanup and Abatement Order in no way limits the authority or ability of the Central Valley Water Board to institute additional enforcement actions or to require additional investigation and any necessary cleanup of the property consistent with the Water Code. This Cleanup and Abatement Order may be revised as additional information becomes available.

REPORTING REQUIREMENTS

1. **Duty to Use Qualified Professionals.** The Discharger shall provide documentation that plans and reports required under this Cleanup and Abatement Order are prepared under the direction of appropriately qualified professionals. Business and Professions Code sections 6735, 7835, and 7835.1 require that engineering and geologic evaluations and judgments be performed by or under the direction of licensed professionals. The Discharger shall include a statement of qualifications and license numbers, if applicable, of the responsible lead professionals in all plans and reports required under this Cleanup and Abatement Order. The lead professional shall sign and affix their license stamp, as applicable, to the report, plan, or document.
2. **Electronic and Paper Media Reporting Requirements.** The Discharger shall comply with the following reporting requirements for all reports and plans (and amendments thereto) required by this Cleanup and Abatement Order:
 - a. The Discharger shall submit one paper and one electronic, searchable Portable Document Format (PDF) copy of all technical reports, monitoring reports, progress reports, and plans required by this Cleanup and Abatement Order. The PDF copy of all the reports shall also be uploaded into the GeoTracker database, as required by Reporting Requirement 2.(d) below.
 - b. Larger documents shall be divided into separate files at logical places in the report to keep file sizes under 150 megabytes.
 - c. All paper correspondence and documents submitted to the Central Valley Water Board must include the GeoTracker Site Global ID.
 - d. Electronic Data Submittals to the Central Valley Water Board in compliance with the Cleanup and Abatement Order are required to be submitted electronically via the Internet into the GeoTracker database <http://geotracker.waterboards.ca.gov/> (GeoTracker Site Global ID: L10005003284). The electronic data shall be uploaded on or prior to the regulatory due dates set forth in the Cleanup and

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Kern County

Abatement Order or addenda thereto. To comply with these requirements, The Discharger shall upload to the GeoTracker database the following minimum information:

- i. **Laboratory Analytical Data:** Analytical data (including geochemical data) for all waste, soil, and water samples shall be submitted in Electronic Deliverable Format (EDF), which facilitates the transfer of data from the laboratory to the end user. Waste, soil, and water include analytical results of samples collected from the following locations and devices: surface samples, equipment, monitoring wells, boreholes, gas and vapor wells or other collection devices, groundwater, piezometers, and stockpiles.
 - ii. **Locational Data:** All permanent monitoring locations (monitoring wells, sediment sampling locations, etc.) shall be surveyed with latitude and longitude coordinates in a decimal degree format basin on the North American Datum 1983 ellipsoid, and accurate to within one meter (3 feet).
 - iii. **Site Map:** Site map or maps which display discharge locations, streets bordering the facility, and sampling locations for all waste, soil, and water samples. The site map is a stand-alone document that may be submitted in various electronic formats. A site map must also be uploaded to show the maximum extent of any soil impact and water pollution. An update to the site map may be uploaded at any time.
 - iv. **Electronic Report:** A complete copy (in character searchable PDF) of all work plans, work plan modifications, assessment, cleanup, and monitoring reports including the signed transmittal letters, professional certifications, and all data presented in the reports.
3. **Oversight Reimbursement.** The Discharger may be required to reimburse the Central Valley Water Board for reasonable costs associated with oversight of the investigation and remediation of the Site, as provided in Water Code section 13304(c) (1). **By 30 September 2015**, provide the name and address where the invoices shall be sent. Failure to provide a name and address for invoices and/or failure to reimburse the Central Valley Water Board's reasonable oversight costs shall be considered a violation of this Cleanup and Abatement Order.
4. **Signatory Requirements.** All reports and work plans required under this Cleanup and Abatement Order shall be signed and certified, in accordance with Order Item 9 above, by the Discharger or by a duly authorized representative and submitted to the Central Valley Water Board. A person is a duly authorized representative only if: 1) The authorization is made in writing by The Discharger; and 2) The authorization specifies either an individual or a position having responsibility for the overall operation of the regulated facility or activity. (A duly authorized representative may thus be either a named individual or any individual occupying a named position.)

Grayson Service, Inc.
KCL-E Lease, Canal Oil Field
Kern County

5. All monitoring and technical reports required under this Cleanup and Abatement Order shall be submitted to:

California Regional Water Quality Control Board
Central Valley Region
1685 E Street, Suite 200
Fresno, CA 93706
Attn: Ron Holcomb

GeoTracker Site Global ID: L10005003284

6. FAILURE TO COMPLY WITH THE PROVISIONS OF THIS CLEANUP AND ABATEMENT ORDER MAY SUBJECT YOU TO FURTHER ENFORCEMENT ACTION, INCLUDING BUT NOT LIMITED TO, ASSESSMENT OF CIVIL LIABILITY UNDER SECTIONS 13268 AND 13350 OF THE WATER CODE AND REFERRAL TO THE DISTRICT ATTORNEY OR ATTORNEY GENERAL FOR INJUNCTIVE RELIEF AND CIVIL OR CRIMINAL LIABILITY.

Ordered by:

Clay L. Rodgers

CLAY L. RODGERS, Assistant Executive Officer

8/31/2015

Date

Exhibit "B"

MAHAFFEY LAW GROUP

A Professional Corporation

20162 SW BIRCH, SUITE 300
NEWPORT BEACH, CALIFORNIA 92660
(949) 833-1400
FACSIMILE: (949) 263-8736

DOUGLAS L. MAHAFFEY
JAMES F. RUMM
EEMAAN JALILI

OUR FILE NO.

March 17, 2015

CERTIFIED MAIL

Dane S. Johnson, Sr Engineering Geologist
Central Valley Regional
Water Quality Control Board
1605 E Street
Fresno CA 93706

Re: Bob Grayson, Grayson Services, Inc. - 1845 Greeley Road, Bakersfield California
KCL-E Lease in the Canal Oil Field

Dear Mr. Johnson:

This firm has been retained to review your January 21, 2015 letter and to investigate the findings and requests in that letter. This response is not intended to address each factual or legal contention raised, and Grayson Service, Inc. ("Grayson") reserves the rights to respond in further detail. Nothing in this response is intended, or written to concede any statements in your January 21, 2015 letter, and for purposes of this letter, all assertions are denied. Notwithstanding, Grayson has requested this firm respond with an agreement to clean out the material identified in the one described containment device, as further set forth below. It is the desire of Grayson to alleviate any concern the Water Board has and to address the single issue of the proper cleanout and disposal of the subject material. Before retaining this firm, Mr. Grayson was hung up on when he attempted to make this offer and explain the history and further delineate what each identified "sump" actually was. Hopefully communication can now improve.

The source information of your inquiry is unknown. Grayson has chain of title documents that establish that only Crimson Resources/Cal Royalty and Arco have active mineral ownership and/or surface ownership. The 1936 oil lease in favor of Grayson provides for sole and exclusive possession of the surface, subject only to Crimson/Cal Royalty's consistent use. No rights exist with any other party to interfere or demand lease activity by Grayson, including but not limited to the right to demand the subject emergency overflow containment devices be cleaned or removed. To the extent any other party claims rights to the surface, or claims standing to make this request, we request the details of their claims, and proof of their title. I am available to meet with any Landman, title officer, or title attorney that claims surface rights exist in any other party. I remain available to share all title documents that relate to these surface rights. This

Mahaffey Law Group

Dane S. Johnson, Sr Engineering Geologist.
Re: Bob Grayson, Grayson Services, Inc. - 1845 Greeley Road, Bakersfield California
KCL-E Lease in the Canal Oil Field
March 17, 2015
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firm has issued a title opinion and has concluded that only Crimson and Grayson have existing surface rights at this lease.

After analyzing the surface conditions at the subject lease with my consultants, we have reached the following conclusions.

1. None of the referenced four "sumps" has ever been used in any manner for discharge of waste. Two of these were never "sumps" as defined in the usual manner, but are earth containment berms. For the last 25 years or more, these four containment devices have been completely inactive, and no disposal of any material has been placed in them. The part time welder who you spoke to was not an agent of Grayson, and was inaccurate and had no personal knowledge as to the information you reported. Mr. Grayson is the person most knowledgeable about what these devices are and what they are not.
2. Under governing lease documentation and Division of Oil and Gas regulations, these inactive sumps/containment devices can be maintained to provide spill control for any emergency release of fluids to contain the release. They have been left in place from prior historical operations in the event there was ever an emergency on one of the adjacent tank farms. This is a lawful use.

Because these devices can be properly maintained for emergency overflow, but are not, Waste Disposal Sites, there is no regulations that require their closure. Likewise because they were not used for any type of waste discharge and there are no plans by Grayson to use them for waste discharge, there is no obligation to submit a waste discharge plan. Grayson does not agree any waste discharge plan has been or is currently required and does not agree that any waste discharge permits for such use are or have been required.

Notwithstanding, my client has agreed, to cooperate in the complete excavation and removal of tank bottoms, blow sand and water that is in the one containment device that has some material in it. Other than this one, the other three identified containment devices are clean. The material in the one containment device has been tested and is nonhazardous. The material will be handled in accordance with all governing regulations. The remaining cleaned out containment devices will then be only used for emergency containment, and Grayson will keep them cleaned out after any rain storm or discharge of fluids occurs. This should alleviate any concerns that have been raised.

Mahaffey Law Group

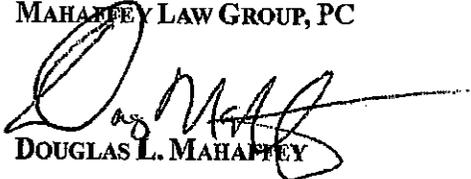
Dane S. Johnson, Sr Engineering Geologist.
Re: Bob Grayson, Grayson Services, Inc. - 1845 Greeley Road, Bakersfield California
KCL-E Lease in the Canal Oil Field

March 17, 2015
Page 3

Should you have any questions regarding the above, please do not hesitate to contact the undersigned.

Very truly yours,

MAHAFFEY LAW GROUP, PC



Handwritten signature of Douglas L. Mahaffey in black ink, featuring a stylized 'D' and 'M'.

DOUGLAS L. MAHAFFEY

DLM:mdh

Exhibit "C"

MAHAFFEY LAW GROUP

A Professional Corporation

20162 SW BIRCH, SUITE 300
NEWPORT BEACH, CALIFORNIA 92660
(949) 833-1400
FACSIMILE: (949) 263-8736

DOUGLAS L. MAHAFFEY
JAMES F. RUMM
EEMAAN JALILI

OUR FILE NO.
708.12

May 1, 2015

Julie Macedo, Senior Staff Counsel
Central Valley Regional
Water Quality Control Board
1605 E Street
Fresno CA 93706

Re: Bob Grayson, Grayson Services, Inc. - 1845 Gridley Road, Bakersfield California
KCL-E Lease in the Canal Oil Field

Dear Ms. Macedo:

In response to your March 26, 2015 letter, I am enclosing the analytical data for the test results in the subject sumps regarding the above-referenced oil lease.

As referenced in my earlier correspondence, Grayson Service, Inc. has had no involvement in any waste discharge, water discharge, and has not been the historical operator who utilized the subject sumps. They are believed to have been left over from over 35 years ago from prior operations. Those operators include Crimson Resources/Cal Royalty, LLC and their predecessors [Arco and Tenneco Oil Company] as well as Occidental Petroleum. It is frustrating that after this extreme period of time with these inactive sumps, that there is current this attention being directed to Mr. Grayson's lease. Because of ongoing litigation with the Kern Water Bank Authority, it appears probable that there has been some kind of political pressure currently placed on Mr. Grayson, as a strategic leverage in that litigation. Hopefully, that is not the case

Notwithstanding, in response to the Water Board's request for analytical testing as to (1) General Minerals [conductivity, chloride, boron sodium sulfate and pH] (2) Total Petroleum Hydrocarbons and (3) BTEX [benzene, toluene, ethyl benzene, xylenes, the samples as required were collected and submitted, through a Chain of Custody by qualified laboratories under the control of Midway Lab.

As Exhibits 1 and 2 indicate, there were no constituents that exceed any limits regarding the characteristics of corrosivity, nor any characteristics of toxicity (TCLP-metals organics table one). Two separate samples were taken, in order to comply with the Water Board requirements in both showed non-hazardous characteristics for these testings.

Attached as Exhibit 3, is the Chain of Custody for those tests.

Mahaffey Law Group

Julie Macedo, Senior Staff Counsel

Re: Bob Grayson, Grayson Services, Inc. - 1845 Gridley Road, Bakersfield California
KCL-E Lease in the Canal Oil Field

May 1, 2015

Page 2

Exhibit 4 is a Bioassay Test on both samples to determine whether or not the samples would violate the Microbiological Parameters by the California Department of Fish and Game. As indicated, that test also passed on both samples. This further confirms the non-hazardous nature of the subject constituents.

Exhibit 5 is the chain of custody on that sampling.

As to the Total Petroleum Hydrocarbons attached as Exhibits 6 and 7, are the results from this testing by BC Laboratories. Attached as Exhibits 8 and 9, are the two samples testing for Volatile Organic Analysis for BTEX. Exhibits 10 and 11 are the Chain of Custody logs for these samples regarding the BC Laboratories test

As these analytical test results prove, all soil content is below any action levels under either the California or EPA guidelines. Because the soil at issue are comprised of historical tank bottoms left over from old operations in the 1940's or 50's, all of their constituents are consistent with their naturally occurring hydrocarbon makeup.

As indicated in previous communication, and as historical evidence proves, these sumps have not been used for any purpose in over 40 years, and there has been no discharge of any hazardous material, waste material, or non-hazardous material of any nature in them. Other than occasional rainwater accumulation, these sumps are at all times dry.

Under these circumstances, it is this firm's legal opinion that Mr. Grayson has the lawful right to dispose of this non-hazardous material, should he elect to voluntarily undertake that obligation. Legally, the liability rest with those who actually were the generators of the material, and Mr. Grayson would have indemnity claims against them for their active use of these sumps, assuming that there are any violations under current regulations regarding that use. There are no requirements that such inactive sumps be closed in any formal manner that I am aware of under these circumstances.

Notwithstanding, Mr. Grayson does wish to accommodate the Water Board and desires to amicably resolve this issue. Accordingly, Mr. Grayson is voluntarily incurring the expense to dispose all of the subject tank bottom soil in to a non-hazardous waste dumpsite. He will of course transport it in lined containers following good oil field practice protocols. The sumps will then be maintained in a clean manner, with no liquid or tank bottom material in them, throughout the duration of the lease operations.

Mahaffey Law Group

Julie Macedo, Senior Staff Counsel

Re: Bob Grayson, Grayson Services, Inc. - 1845 Gridley Road, Bakersfield California
KCL-E Lease in the Canal Oil Field

May 1, 2015

Page 3

After the lease has stop producing paying quantities, then the requirements under lease relationship and that of other operators, both current and present, will govern the responsibilities for closing these sumps. Because there are currently multiple operators, who have active leases on this same property, it is not appropriate to assess Mr. Grayson's company with the full responsibility of the Water Board's violation request. Forcing him to bring declaratory relief actions for indemnity will increase the costs of all concerned.

Accordingly, I would appreciate a confirmation that this accommodation by Mr. Grayson will be acceptable. Furthermore, subject to confirming the complete disposal of the material in the sumps, and an inspection afterwards that they have in fact been completely cleaned out, that this matter is closed.

Very truly yours,

MAHAFFEY LAW GROUP, PLC

DOUGLAS L. MAHAFFEY

DLM:mdh

cc:

Bob Grayson

Grayson Service, Inc.

EXHIBIT “1”



LABORATORY REPORT
ELAP STATE CERT. #1396

Title 22 Article 3 – Characteristics of Hazardous Waste

CUSTOMER: Attorney of Law Douglas Matlafey
23072 Lake Center Dr, Suite 205
Lake Forest, CA 92630

LOG NUMBER: 28253-2
DATE RECEIVED: 02-02-15
DATE COMPLETED: 02-09-15
REPORT DATE: 02-09-15

ATTENTION: Doug Matlafey, Bob Ferguson

SAMPLE DESCRIPTION: Bob002

Sample Log # 28253-2 Described as "Bob002" was submitted for hazardous waste characterization as described under California Code of Regulations, Title 22, Article 3 § 66261.20.

Sample Log # 28253-2 was evaluated according to the following criteria utilizing EPA SW-846 methodology and related regulatory methodology.

Title 22 Article 3. Characteristics of Hazardous Waste

§ 66261.20. General.

(b) A waste which is identified as a hazardous waste pursuant to one or more of the characteristics set forth in section;

§ 66261.21 Characteristics of Ignitability. Not Requested

§ 66261.22(a)(1) Characteristics of Corrosivity (Aqueous, dealing with pH 2-12.5). Passed

§ 66261.23 Characteristics of Reactivity. (Explosives, sulfides-cyanides) Not Requested

§ 66261.24(a)(1) Characteristic of Toxicity (TCLP-metals, organics, Table 1; WET extraction, STLC-TTLC CAM metals) Passed

** § 66261.24(a)(6) Acute aquatic 96-hour LC50 (Fish Bioassay). Passed

Under these guidelines, sample Log #28253-2 would be considered as Non Hazardous.

** Please Note: This analysis was not performed by Midway Laboratory personnel and therefore Midway Laboratory is unable to verify the accuracy of these results.

Please note: Hazardous or non hazardous status under Characteristics of Hazardous Waste Title 22, Article 3 is only applicable to analysis that was completed. Any analysis listed as "Not Requested" is not included in the determination of Hazardous or Non Hazardous.

Q.C. OK Date: 2/9/15

Q.C. OK Date: 2/9/15

Kurt R. Buckle Date: 2-10-15

Kurt Buckle-Laboratory Director - Midway Laboratory, Inc.

Midway Laboratory, Inc.
315 Main Street ♦ P.O. Box 1151
Taft, CA 93268

Phone: 661-765-2364 ♦ Fax: 661-765-6920 ♦ Email: midwaylab@verizon.net ♦ www.midwaylaboratory.com



Member: American Society for Testing and Materials (ASTM), Gas Processors Association (GPA), American Petroleum Institute (API), Society of Petroleum Engineers (SPE) member # 3564829

-Laboratory Report-
Characteristics of Hazardous Waste - Title 22, Article 3.

Rev.7-26-05

Customer: Attorney of Law Douglas Matiaffey
Address: 23072 Lake Center Dr., Suite 205
 Lake Forest, CA 92630
Attention: Doug Matiaffey, Bob Ferguson
Sample Description: Bob002
Sample Matrix: S=Solid
Analytical Parameter: CAM Metals, as itemized in Title 22, § 66261.24, Table II (STLC, TTLC)

Log #: 28253-2
Sample Date: 2/2/15
Date Received: 2/2/15
Date Completed: 2/6/15
Date Reported: 2/6/15

Toxicity: § 66261.24

Characteristic		Results				
Constituent	Symbol	Total (mg/Kg)	PQL (mg/Kg)	Method	‡ STLC (mg/L)	TTLC (mg/Kg)
Antimony	Sb	ND	0.1	EPA 6010B	15	500
Arsenic	As	ND	0.1	EPA 6010B	5	500
Barium	Ba	1840	0.01	EPA 6010B	100	10000
Beryllium	Be	ND	0.01	EPA 6010B	0.75	75
Cadmium	Cd	ND	0.01	EPA 6010B	1	100
Chromium (Total)	Cr	61.0	0.01	EPA 6010B	50	2500
Chromium (VI)	Cr	ND	0.01	EPA 7198A	5	500
Cobalt	Co	2.48	0.01	EPA 6010B	80	8000
Copper	Cu	41.0	0.01	EPA 6010B	25	2500
Lead	Pb	42.8	0.1	EPA 6010B	5	1000
Mercury	Hg	ND	0.001	EPA 7471A	0.2	20
Molybdenum	Mo	8.68	0.01	EPA 6010B	350	3500
Nickel	Ni	20.3	0.1	EPA 6010B	20	2000
Selenium	Se	2.44	0.01	EPA 6010B	1	100
Silver	Ag	ND	0.01	EPA 6010B	5	500
Thallium	Tl	ND	0.1	EPA 6010B	7	700
Vanadium	V	13.6	0.01	EPA 6010B	24	2400
Zinc	Zn	86.5	0.01	EPA 6010B	250	5000

Sample has been screened for Barite, Ba SO4 present in sample, WET IS NOT necessary.

WET Extraction		Results			
Constituent	Symbol	(mg/L)	PQL (mg/L)	Method	STLC Limit (mg/L)
Chrom VI	Cr	ND	0.01	EPA 7198A	5
NR	NR	NR	NR	NR	NR
NR	NR	NR	NR	NR	NR
NR	NR	NR	NR	NR	NR

Notes:

- Soluble Threshold Limiting Concentration (STLC) and Total Threshold Limiting Concentrations (TTLC) values are calculated on the concentrations of the elements, not the compounds.
- WET extraction may be required if Total mg/L results exceeds 10X STLC (solid matrix).
- If Total mg/L for a liquid matrix exceed STLC mg/L values or Total mg/Kg for a solid matrix exceed TTLC values, the sample is considered hazardous.

* Excluding barite, Ba SO4.

** Excluding molybdenum disulfide, MoS2.

‡ Constituent exceeding TTLC value or 10 times STLC value are to be considered as a hazardous waste.

ND - Not Detected (below PQL)

NR - Not Requested - Not Required.

Initials: KRB

Date: 2-9-15



Characteristics of Hazardous waste - Title 22, Article 3.

Reactivity: § 66281.23	Total Releasable Concentration (mg/Kg)	PQL (mg/Kg)	EPA Method Number	EPA Action Level (mg/Kg)
Characteristic	Results:			
Reactive Cyanide as HCN	NR	1.0	SW-846 (7.3)	250
Reactive Sulfide as H ₂ S	NR	100.0	SW-846 (7.3)	500

Corrosivity: § 66281.22	Results:			Hazardous if
Characteristic				
pH	7.91	± 0.01	EPA 9045C	< 2.0 or > 12.5

Ignitability: § 66281.21	Results:			Hazardous if
Characteristic				
Flash Point	NR	± 1°F	EPA 1010	< 140°F

Notes and Definitions:

1. PQL - Practical Quantitation Limit is the lowest level that can be reliably achieved within specific limits of precision and accuracy. It is also dependent of sample size, digestion technique and analytical methodology employed.
2. STLC - Soluble Threshold Limit Concentration.
3. TTLC - Total Threshold Limit Concentration.
4. ND. - Not Detected (constituent, if present, would be "less than" PQL.
5. NR - Not Requested / Not Required.
6. <> - Refers to "less than" or "Greater than" respectively.

References:

1. EPA; "Test Methods for Evaluating Solid Wastes, Physical / Chemical Methods," USEPA. SW-846, 3rd. Ed. 1992
2. Title 22; "California Administrative Code," Division 4, Environmental Health, © 1999.
3. APHA-AWWA-WPCF; "Standard Methods for the Examination of Water and Waste Water," 19th.Ed. ©1995
4. EPA; "Acid Digestion of Aqueous Samples and Extracts for Total Metals for Analysis by FLAA or ICP Spectroscopy," Rev. 1, July 1992, EPA Method 3010A.

QC: CA Date: 2-9-15

QC: KP Date: 2/9/15

Kurt Buckle-Laboratory Director

Midway Laboratory, Inc.

Date: 2-9-15

EXHIBIT “2”



LABORATORY REPORT
ELAP STATE CERT. #1396

Title 22 Article 3 – Characteristics of Hazardous Waste

CUSTOMER: Attorney of Law Douglas Matlaffey
23072 Lake Center Dr., Suite 205
Lake Forest, CA 92630

LOG NUMBER: 28253-1
DATE RECEIVED: 02-02-15
DATE COMPLETED: 02-09-15
REPORT DATE: 02-09-15

ATTENTION: Doug Matlaffey, Bob Ferguson

SAMPLE DESCRIPTION: Bob001

Sample Log # 28253-1 Described as "Bob001" was submitted for hazardous waste characterization as described under California Code of Regulations, Title 22, Article 3 § 66261.20.

Sample Log # 28253-1 was evaluated according to the following criteria utilizing EPA SW-846 methodology and related regulatory methodology.

Title 22 Article 3. Characteristics of Hazardous Waste

§ 66261.20. General.

(b) A waste which is identified as a hazardous waste pursuant to one or more of the characteristics set forth in section;

§ 66261.21 Characteristics of Ignitability. Not Requested

§ 66261.22(a)(1) Characteristics of Corrosivity (Aqueous, dealing with pH 2-12.5). Passed

§ 66261.23 Characteristics of Reactivity. (Explosives, sulfides-cyanides) Not Requested

§ 66261.24(a)(1) Characteristic of Toxicity (TCLP-metals, organics, Table 1; WET extraction, STLC-TTLC CAM metals) Passed

** § 66261.24(a)(6) Acute aquatic 96-hour LC50 (Fish Bioassay). Passed

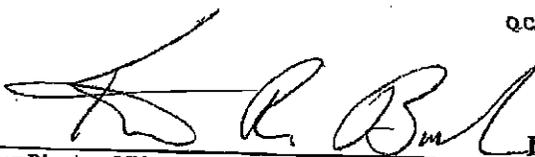
Under these guidelines, sample Log #28253-1 would be considered as Non Hazardous.

** Please Note: This analysis was not performed by Midway Laboratory personnel and therefore Midway Laboratory is unable to verify the accuracy of these results.

Please note: Hazardous or non hazardous status under Characteristics of Hazardous Waste Title 22, Article 3 is only applicable to analysis that was completed. Any analysis listed as "Not Requested" is not included in the determination of Hazardous or Non Hazardous.

Q.C. DK Date: 2/9/15

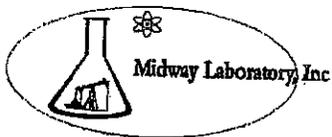
Q.C. KL Date: 2/9/15

 Date: 2-10-15

Kurt Buckle-Laboratory Director - Midway Laboratory, Inc.

Midway Laboratory, Inc.
315 Main Street + P.O. Box 1151
Taft, CA 93268

Phone: 661-765-2364+Fax: 661-765-6920+Email: midwaylab@verizon.net+www.midwaylaboratory.com



315 Main Street ♦ P.O. Box 1151 ♦ Taft, California 93268
 Phone 661.765.2364 ♦ Fax 661.765.0920 ♦ midwaylab@verizon.net ♦ www.midwaylaboratory.com ♦ Facebook
 State Certification Number: 1396A
 Petroleum ♦ Industrial ♦ Environmental

Member: American Society for Testing and Materials (ASTM), Gas Processors Association (GPA), American Petroleum Institute (API), Society of Petroleum Engineers (SPE) member # 3564829

~Laboratory Report~
Characteristics of Hazardous Waste - Title 22, Article 3.

Rev.7-26-05

Customer: Attorney of Law Douglas Mallauffey
Address: 23072 Lake Center Dr., Suite 205
 Lake Forest, CA 92630
Attention: Doug Mallauffey, Bob Ferguson
Sample Description: Bob001
Sample Matrix: S=Solid
Analytical Parameter: CAM Metals, as itemized in Title 22, § 69261.24, Table II (STLC, TTLC)

Log #: 26253-1
Sample Date: 2/2/15
Date Received: 2/2/15
Date Completed: 2/4/15
Date Reported: 2/4/15

Toxicity § 69261.24

Characteristic		Results				
Constituent	Symbol	Total (mg/Kg)	PQL (mg/Kg)	Method	±STLC (mg/L)	TTLC (mg/Kg)
Antimony	Sb	ND	0.1	EPA 8010B	15	500
Arsenic	As	ND	0.1	EPA 8010B	5	500
Barium*	Ba	1940	0.01	EPA 8010B	100	10000
Beryllium	Be	ND	0.01	EPA 8010B	0.75	75
Cadmium	Cd	ND	0.01	EPA 8010B	1	100
Chromium (Total)	Cr	197	0.01	EPA 8010B	580	2500
Chromium (VI)	Cr	NR	0.01	EPA 7198A	5	500
Cobalt	Co	3.58	0.01	EPA 8010B	80	8000
Copper	Cu	39.9	0.01	EPA 8010B	25	2500
Lead	Pb	18.4	0.1	EPA 8010B	5	1000
Mercury	Hg	ND	0.001	EPA 7471A	0.2	20
Molybdenum**	Mo	4.42	0.01	EPA 8010B	350	3500
Nickel	Ni	25.8	0.1	EPA 8010B	20	2000
Selenium	Se	ND	0.01	EPA 8010B	1	100
Silver	Ag	ND	0.01	EPA 8010B	5	500
Thallium	Tl	ND	0.1	EPA 8010B	7	700
Vanadium	V	17.1	0.01	EPA 8010B	24	2400
Zinc	Zn	72.0	0.01	EPA 8010B	250	5000

Sample has been screened for Barite, Ba SO4 present in sample, WET IS NOT necessary.

WET Extraction		Results			
Constituent	Symbol	(mg/L)	PQL (mg/L)	Method	STLC Limit (mg/L)
NR	NR	NR	NR	NR	NR
NR	NR	NR	NR	NR	NR
NR	NR	NR	NR	NR	NR
NR	NR	NR	NR	NR	NR

Notes:

-- Soluble Threshold Limiting Concentration (STLC) and Total Threshold Limiting Concentrations (TTLC) values are calculated on the concentrations of the elements, not the compounds.

-- WET extraction may be required if Total mg/L results exceeds 10X-STLC (solid matrix).

-- If Total mg/L for a liquid matrix exceed STLC mg/L values or Total mg/Kg for a solid matrix exceed TTLC values, the sample is considered hazardous.

* Excluding barite, Ba SO4.

** Excluding molybdenum disulfide, MoS2.

‡ Constituent exceeding TTLC value or 10 times STLC value are to be considered as a hazardous waste.

ND - Not Detected (below PQL)

NR - Not Requested - Not Required.

Initials: KRB

Date: 2-5-15



Characteristics of Hazardous waste - Title 22, Article 3.

Reactivity: § 66261.23	Total Releaseable Concentration (mg/Kg)	PQL (mg/Kg)	EPA Method Number	EPA Action Level (mg/Kg)
Characteristic	Results:			
Reactive Cyanide as HCN	ND	1.0	SW-846 (7.3)	250
Reactive Sulfide as H ₂ S	ND	100.0	SW-846 (7.3)	500

Corrosivity: § 66261.22	Characteristic	Results:		Hazardous if
	pH	8.40	± 0.01 EPA 9045C	< 2.0 or > 12.5

Ignitability: § 66261.21	Characteristic	Results:		Hazardous if
	Flash Point	NR	± 1°F EPA 1010	< 140°F

Notes and Definitions:

1. PQL - Practical Quantitation Limit is the lowest level that can be reliably achieved within specific limits of precision and accuracy. It is also dependent of sample size, digestion technique and analytical methodology employed.
2. STLC - Soluble Threshold Limit Concentration.
3. TTLC - Total Threshold Limit Concentration.
4. ND - Not Detected (constituent, if present, would be "less than" PQL).
5. NR - Not Requested / Not Required.
6. < > - Refers to "less than" or "Greater than" respectively.

References:

1. EPA; "Test Methods for Evaluating Solid Wastes, Physical / Chemical Methods," USEPA. SW-846, 3rd. Ed. 1992
2. Title 22; "California Administrative Code," Division 4, Environmental Health, © 1998.
3. APHA-AWWA-WPCF; "Standard Methods for the Examination of Water and Waste Water," 19th. Ed. ©1995
4. EPA; "Acid Digestion of Aqueous Samples and Extracts for Total Metals for Analysis by FLAA or ICP Spectroscopy," Rev. 1, July 1992, EPA Method 3010A.

QC: YR Date: 2/5/15
 QC: DA Date: 2-5-15

Kurt Buckle Laboratory Director Date: 2-5-15
 Midway Laboratory, Inc.

EXHIBIT “3”

EXHIBIT “4”

Oilfield Environmental and Compliance, INC.



Jeff Scheidemantal
Midway Laboratory, Inc
315 Main Street
Taft, CA 93268

09 February 2015

RE: Bioassay Testing

Work Order: 1500469

Dear Client:

Enclosed is an analytical report for the above referenced project. The samples included in this report were received on 03-Feb-15 15:28 and analyzed in accordance with the attached chain-of-custody.

Unless otherwise noted, all analytical testing was accomplished in accordance with the guidelines established in our Quality Assurance Manual, applicable standard operating procedures, and other related documentation. The results in this analytical report are limited to the samples tested and any reproduction thereof must be made in its entirety.

If you have any questions regarding this report, please do not hesitate to contact the undersigned.

Sincerely,

A handwritten signature in cursive script, appearing to read "Marissa Censullo".

Marissa L. Censullo

Project Manager

307 Roemer Way, Suite 300, Santa Maria, CA 93454

www.oecusa.com

TEL: (805) 922-4772

FAX: (805) 925-3376



Oilfield Environmental and Compliance, INC.

Midway Laboratory, Inc 315 Main Street Taft CA, 93268	Project: Bioassay Testing Project Number: [none] Project Manager: Jeff Scheidemantal	Reported: 09-Feb-15 16:16
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ANALYTICAL REPORT FOR SAMPLES

Sample ID	Laboratory ID	Matrix	Date Sampled	Date Received
B0B001	1500469-01	Solid	02-Feb-15 08:21	03-Feb-15 15:28
B0B002	1500469-02	Solid	02-Feb-15 08:26	03-Feb-15 15:28

Oilfield Environmental and Compliance

307 Roemer Way, Suite 300, Santa Maria, CA 93454

The results in this report apply to the samples analyzed in accordance with the chain of custody document. This analytical report must be reproduced in its entirety.

www.oecusa.com

TEL: (805) 922-4772
FAX: (805) 925-3376



Oilfield Environmental and Compliance, INC.

Midway Laboratory, Inc
315 Main Street
Taft CA, 93268

Project: Bioassay Testing
Project Number: [none]
Project Manager: Jeff Scheidemantal

Reported:
09-Feb-15 16:16

BOB001
1500469-01 (Solid)

Analyte	Result	Reporting Limit	Units	Dilution	Batch	Prepared	Analyzed	Method	Notes
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Oilfield Environmental and Compliance

Microbiological Parameters by CA Dept. of Fish and Game

Bioassay 96 Hour Screen	Pass	Pass/Fail	1	B5B0044	04-Feb-15	04-Feb-15	Polisini & Miller (CDFG 1988)	LCS0
Mortality Total of 20 @ 750ppm 96-Hr	0.0	Fish	"	"	"	"	"	"
Mortality Total of 20 @ 750ppm 72-Hr	1.0	"	"	"	"	"	"	"
Mortality Total of 20 @ 750ppm 48-Hr	0.0	"	"	"	"	"	"	"
Mortality Total of 20 @ 750ppm 24-Hr	0.0	"	"	"	"	"	"	"
Mortality Total of 20 @ 400ppm 96-Hr	0.0	"	"	"	"	"	"	"
Mortality Total of 20 @ 400ppm 72-Hr	1.0	"	"	"	"	"	"	"
Mortality Total of 20 @ 400ppm 48-Hr	0.0	"	"	"	"	"	"	"
Mortality Total of 20 @ 400ppm 24-Hr	0.0	"	"	"	"	"	"	"

Oilfield Environmental and Compliance

307 Roemer Way, Suite 300, Santa Maria, CA 93454

The results in this report apply to the samples analyzed in accordance with the chain of custody document. This analytical report must be reproduced in its entirety.

www.oecusa.com

TEL: (805) 922-4772
FAX: (805) 925-3376



Oilfield Environmental and Compliance, INC.

Midway Laboratory, Inc
315 Main Street
Taft CA, 93268

Project: Bioassay Testing
Project Number: [none]
Project Manager: Jeff Scheidemantal

Reported:
09-Feb-15 16:16

BOB002
1500469-02 (Solid)

Analyte	Result	Reporting Limit	Units	Dilution	Batch	Prepared	Analyzed	Method	Notes
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Oilfield Environmental and Compliance

Microbiological Parameters by CA Dept. of Fish and Game

Bioassay 96 Hour Screen	Pass	Pass/Fail	1	B5B0044	04-Feb-15	04-Feb-15	Polisini & Miller (CDFG 1988)	LC50
Mortality Total of 20 @ 750ppm 96-Hr	1.0	Fish	"	"	"	"	"	"
Mortality Total of 20 @ 750ppm 72-Hr	0.0	"	"	"	"	"	"	"
Mortality Total of 20 @ 750ppm 48-Hr	0.0	"	"	"	"	"	"	"
Mortality Total of 20 @ 750ppm 24-Hr	0.0	"	"	"	"	"	"	"
Mortality Total of 20 @ 400ppm 96-Hr	1.0	"	"	"	"	"	"	"
Mortality Total of 20 @ 400ppm 72-Hr	3.0	"	"	"	"	"	"	"
Mortality Total of 20 @ 400ppm 48-Hr	0.0	"	"	"	"	"	"	"
Mortality Total of 20 @ 400ppm 24-Hr	1.0	"	"	"	"	"	"	"

Oilfield Environmental and Compliance

307 Roemer Way, Suite 300, Santa Maria, CA 93454

The results in this report apply to the samples analyzed in accordance with the chain of custody document. This analytical report must be reproduced in its entirety.

www.oecusa.com

TEL: (805) 922-4772
FAX: (805) 925-3376



Oilfield Environmental and Compliance, INC.

Midway Laboratory, Inc
 315 Main Street
 Taft, CA, 93268

Project: Bioassay Testing
 Project Number: [none]
 Project Manager: Jeff Scheidemanal

Reported:
 09-Feb-15 16:16

Microbiological Parameters by CA Dept. of Fish and Game - Quality Control

Analyte	Result	Reporting Limit	Units	Spike Level	Source Result	%REC	%REC Limits	RPD	RPD Limit	Notes
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Batch B5B0044 - Bio/Micro Prep

Blank (B5B0044-BLKI)

Prepared & Analyzed: 04-Feb-15

Analyte	Result	Reporting Limit	Units	Spike Level	Source Result	%REC	%REC Limits	RPD	RPD Limit	Notes
Bioassay 96 Hour Screen	Pass			Pass/Fail						
Mortality Total of 20 @ 750ppm 96-Hr	0.0			Fish						LC50
Mortality Total of 20 @ 750ppm 72-Hr	0.0			"						
Mortality Total of 20 @ 750ppm 48-Hr	0.0			"						
Mortality Total of 20 @ 750ppm 24-Hr	0.0			"						
Mortality Total of 20 @ 400ppm 96-Hr	0.0			"						
Mortality Total of 20 @ 400ppm 72-Hr	0.0			"						
Mortality Total of 20 @ 400ppm 48-Hr	0.0			"						
Mortality Total of 20 @ 400ppm 24-Hr	0.0			"						

Duplicate (B5B0044-DUP1)

Source: 1500437-01

Prepared & Analyzed: 04-Feb-15

Analyte	Result	Reporting Limit	Units	Spike Level	Source Result	%REC	%REC Limits	RPD	RPD Limit	Notes
Bioassay 96 Hour Screen	Pass			Pass/Fail						
Mortality Total of 20 @ 750ppm 96-Hr	1.0			Fish	5.0			0.00	200	LC50
Mortality Total of 20 @ 750ppm 72-Hr	0.0			"	1.0			0.00	200	
Mortality Total of 20 @ 750ppm 48-Hr	1.0			"	0.0				200	
Mortality Total of 20 @ 750ppm 24-Hr	2.0			"	1.0			0.00	200	
Mortality Total of 20 @ 400ppm 96-Hr	0.0			"	2.0			0.00	200	
Mortality Total of 20 @ 400ppm 72-Hr	0.0			"	0.0				200	
Mortality Total of 20 @ 400ppm 48-Hr	0.0			"	0.0				200	
Mortality Total of 20 @ 400ppm 24-Hr	1.0			"	0.0				200	
					1.0			0.00	200	

Oilfield Environmental and Compliance

307 Roemer Way, Suite 300, Santa Maria, CA 93454

The results in this report apply to the samples analyzed in accordance with the chain of custody document. This analytical report must be reproduced in its entirety.

www.oecusa.com

TEL: (805) 922-4772
 FAX: (805) 925-3376



Oilfield Environmental and Compliance, INC.

Midway Laboratory, Inc 315 Main Street Taft CA, 93268	Project: Bioassay Testing Project Number: [none] Project Manager: Jeff Scheidemanal	Reported: 09-Feb-15 16:16
---	---	------------------------------

Notes and Definitions

- LC50 State of CA limit for Non-Hazardous Designation: LC50 > 500 mg/L
 Pass Screen: <40% dead in 750 mg/L (LC50 > 750 mg/L)
 Fail Screen: >40% dead in 750mg/L (Definitive Recommended)
 Fail Screen [CA Haz]: >60% dead in 400mg/L (LC50 < 400mg/L)
- _ Pass Pass
- DET Analyte **DETECTED**
- ND Analyte **NOT DETECTED** at or above the reporting limit
- NR Not Reported
- dry Sample results reported on a dry weight basis
- RPD Relative Percent Difference

Oilfield Environmental and Compliance

307 Roerner Way, Suite 300, Santa Maria, CA 93454

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TEL: (805) 922-4772
FAX: (805) 925-3376

Bioassay Screen Test

Midway

Batch # B530044

OEC #	Result	OEC #	Result
1500469-1	P / F		P / F
1500469-2	P / F		P / F
	P / F		P / F
	P / F		P / F
	P / F		P / F
	P / F		P / F
	P / F		P / F
	P / F		P / F
	P / F		P / F
	P / F		P / F

Sample Type

SOLID

1 AQ

2/4/15

Start Date: 2/3/15

Start Time: 08:30

Analyst: LJC

Hardness:

LCS ID:	4110041
LCS Exp:	7/29/16
Spike vol. (mL):	2.0

Alkalinity:

LCS ID:	5010321
LCS Exp:	7/17/15

Hardness: EDTA Titrimetric Method (SM2340C 20th ed.)

Sample Vol. (ml)	Initial pH	pH (10.0-10.01)	EDTA Vol. (ml)	CaCO ₃ mg/L	Length (mm)	Weight (g)
25	5.76	✓	0	0	50.	.82
25	2.25	✓	2.0	80.	47.	.61
25	7.39	✓	1.0	40.	48.	.69
25	7.38	✓	1.0	40.	47.	.66

Calculate as follows: Hardness as CaCO₃ mg/L = (ml. 0.01M EDTA used)(CaCO₃ equivalent to 1mL EDTA) (1,000) / ml. sample

Total Alkalinity: as Calcium Carbonate (SM2320B 20th ed.)

Sample Vol. (ml)	Initial pH	Normality Stand.	Titrant Vol. to pH 4.5	CaCO ₃ mg/L	Averages:
25	5.76	.10	.01	2.	
25	11.16	.10	11.53	2306.	
25	7.39	.10	.87	174.	
25	7.38	.10	.84	168.	
				50.	.81

Calculate as follows: Alkalinity as CaCO₃ mg/L = (ml standard acid used)(normality standard acid)(50,000) / ml sample

Reviewed by:  2/9/15

Hazardous Material Bioassay Screen
 OEC-Offfield Environmental Compliance
 Pofisini and Miller, CA Fish & Game Lab, 1986

Batch # 85B0044
 Sample ID: 1500409-1

Start Date: 2/23/85 2/24/85
 Analyst: WCG

Sample Description: SOLID / AQ

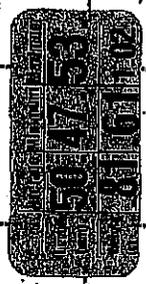
Readouts: CONC.	Initial Readout			24-Hr.			48-Hr.			72-Hr.			96-Hr.			Comments
	pH	DO mg/L	Temp °C	pH	DO mg/L	Temp °C	#M	pH	DO mg/L	Temp °C	#M	pH	DO mg/L	Temp °C	#M	
Control	7.3	9.5	18.3	7.6	6.7	19.7	0	7.5	6.6	20.1	0	7.8	6.4	20.4	0	0
750-1 ppm	7.3	8.8	18.0	7.7	6.7	20.1	0	7.4	6.3	20.6	0	8.5	8.8	20.4	1	0
750-2 ppm	7.3	8.7	18.0	7.7	6.3	20.1	0	7.3	5.4	20.5	0	8.3	8.7	20.4	0	0
400-1 ppm	7.3	8.9	18.1	7.7	6.7	20.0	0	7.3	6.0	20.5	0	8.3	8.7	20.4	0	0
400-2 ppm	7.3	9.2	18.2	7.7	6.9	20.1	0	7.4	6.1	20.4	0	8.3	8.7	20.4	1	0
Air Control				7.6	6.5	19.7	0	7.5	6.5	20.2	0	8.1	8.7	20.5	0	0

LAN 2/24/85

Method Parameters:
 Sample Extraction: Mechanical Shaker w/ DI H₂O
 Control Water Source: Soft Water with Filter for Chloramine Remv
 Control Water Hardness: 40-48 mg/L CaCO₃

Feeding: None
 Temperature Range: 18 - 22°C
 Photoperiod: 16hr. Light/ 8hr. Dark
 Test Chamber Volume: 10L
 Number of Replicates: 2
 Fish per Chamber: 10.
 Tanks aerated: None / All Tanks
 Aeration Source: Outside Air
 Aeration Rate: (Maintain DO > 4ppm.)
 Aeration Method: narrow glass bone
 Test Endpoints: Survival at 96 hours

Test Organism: Pimephales promelas
 Source: Anderson Farms

Fish ID:	5010153
Fish Data:	Average ± Min. Max.
Length (mm)	
Weight (g)	

Initial Hardness and Alkalinity	
Hardness: CaCO ₃ mg/L	Alkalinity: 171. mg/L
750 ppm	400 ppm
Pass ≤ 8	Result: ≤ 12
Fail > 8	> 12
PASS / FAIL	

Pass: LC50 > 750 mg/l (<40% dead in 750 mg/l conc.)
 Fail > 40% dead in 750mg/l (definitive test recommended)
 Fail LC50 < 400mg/l (>60% dead in 400 mg/l conc.)

Definitive Requested: Yes / No

Hazardous Material Bioassay Screen

OEC-Offfield Environmental Compliance
 Polfair and Miller, CA Fish & Game Lab, 1988.

Sample Description: **SOLID** AQ

Batch # B5B3C0044

Sample ID: 1500469-2

Start Date: 2/3/15 2/4/15
 Analyst: LJG

Readouts:	Initial Readout			24-Hr.			48-Hr.			72-Hr.			96-Hr.			Comments	
	pH	DO mg/L	Temp °C	pH	DO mg/L	Temp °C	#M	pH	DO mg/L	Temp °C	#M	pH	DO mg/L	Temp °C	#M		Total M
Control	7.3	4.5	18.3	7.6	6.7	19.7	0	7.5	6.6	20.1	0	7.8	6.6	20.4	0	0	
750-1 ppm	7.3	9.1	18.2	7.6	7.1	19.9	0	7.5	6.3	20.1	0	8.3	8.6	20.5	0	0	
750-2 ppm	7.3	9.0	18.1	7.7	7.2	19.8	0	7.5	6.2	20.1	0	8.3	8.7	20.5	0	1	
400-1 ppm	7.3	9.4	18.1	7.7	7.5	19.7	1	7.6	6.4	20.2	0	8.3	8.7	20.4	2	3	
400-2 ppm	7.3	9.5	18.2	7.7	7.3	19.7	0	7.6	6.1	20.1	0	8.3	8.5	20.3	1	2	
Air Control				7.6	6.5	19.7	0	7.5	6.5	20.2	0	8.1	8.7	20.5	0	0	*Start taking data the day air is added to sample tanks

Method Parameters:
 Sample Extraction: Mechanical Shaker w/ DI H₂O
 Control Water Source: Soft Water with Filter for Chloramine Rmvd
 Control Water Hardness: 40-48 mg/L CaCO₃

Feeding: None
 Temperature Range: 18 - 22°C
 Photoperiod: 16hr. Light/ 8hr. Dark
 Test Chamber Volume: 10L
 Number of Replicates: 2
 Fish per Chamber: 10.
 Tanks aerated: None / All Tanks
 Aeration Source: Outside Air
 Aeration Rate: (Maintain DO > 4ppm.)
 Aeration Method: narrow glass bottle
 Test Endpoints: Survival at 96 hours

Test Organism: Pimephales promelas
 Source: Anderson Farms

Fish ID:	5010153
Fish Data:	Average Min. Max.
Length (mm)	
Weight (g)	

Initial Hardness and Alkalinity

Hardness:	40. mg/L	Alkalinity:	171. mg/L
750 ppm	≤ 8	400 ppm	Result
Pass	> 8	> 12	PASS / FAIL
Fail	> 8	> 12	

Pass: LCS0 > 750 mg/l (<40% dead in 750 mg/l conc)
 Fail-40% dead in 750mg/l (definitive test recommended)
 Fail LCS0 < 400mg/l (>60% dead in 400 mg/l conc.)

Definitive Requested: Yes / No

(6)

***EXHIBIT* “5”**

EXHIBIT “6”



BC Laboratories, Inc.

Environmental Testing Laboratory Since 1949

Midway Laboratory
P O Box 1151
315 Main Street
Taft, CA 93269

Reported: 02/13/2015 14:38
Project: Misc Samples
Project Number: 29253-1
Project Manager: Kurt Buckle

Total Petroleum Hydrocarbons

BCL Sample ID: 1502547-01		Client Sample Name: Bob001 Enos Ln., 2/2/2015 8:21:00AM						
Constituent	Result	Units	PQL	MDL	Method	MB Bias	Lab Quale	Run #
TPH - C8 - C9	ND	mg/kg	140	68	EPA-8015CC	ND	A01	1
TPH - C10 - C11	810	mg/kg	140	68	EPA-8015CC	ND	A01	1
TPH - C12 - C14	4800	mg/kg	140	68	EPA-8015CC	ND	A01	1
TPH - C15 - C16	4100	mg/kg	140	68	EPA-8015CC	ND	A01	1
TPH - C17 - C18	5200	mg/kg	140	68	EPA-8015CC	ND	A01	1
TPH - C19 - C20	4500	mg/kg	140	68	EPA-8015CC	ND	A01	1
TPH - C21 - C22	4200	mg/kg	140	68	EPA-8015CC	ND	A01	1
TPH - C23 - C28	11000	mg/kg	140	68	EPA-8015CC	ND	A01	1
TPH - C29 - C32	880	mg/kg	140	68	EPA-8015CC	ND	A01	1
TPH - C33 - C36	3600	mg/kg	140	68	EPA-8015CC	ND	A01	1
TPH - C37 - C40	ND	mg/kg	140	68	EPA-8015CC	ND	A01	1
TPH - C41 - C43	ND	mg/kg	140	68	EPA-8015CC	ND	A01	1
TPH - C44 plus	ND	mg/kg	140	68	EPA-8015CC	ND	A01	1
TPH (Total)	40000	mg/kg	1400	320	EPA-8015CC	ND	A01	1
Tetracosane (Surrogate)	110	%	20 - 145 (LCL - UCL)		EPA-8015CC		A01	1

Run #	Method	Prep Date	Run Date/Time	Analyst	Instrument	Dilution	QC Batch ID
1	EPA-8015CC	02/08/15	02/12/15 19:20	MWB	GC-13	136.36	BYB0644

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Report ID: 100032977

4100 Atlas Court, Bakersfield, CA 93308 (661) 327-4911 FAX (661) 327-1918 www.bclabs.com

EXHIBIT “7”

Way Laboratory
 P O Box 1151
 315 Main Street
 Taft, CA 93268

Reported: 02/13/2015 14:39
 Project: Misc Samples
 Project Number: 28253-2
 Project Manager: Kurt Buckle

Total Petroleum Hydrocarbons

BCL Sample ID: 1502548-01		Client Sample Name: Bob002 Enos Ln., 2/2/2015 8:26:00AM						
Constituent	Result	Units	PQL	MDL	Method	MB Bias	Lab Quals	Run #
TPH - C8 - C9	ND	mg/kg	140	68	EPA-8015CC	ND	A01	1
TPH - C10 - C11	1100	mg/kg	140	68	EPA-8015CC	ND	A01	1
TPH - C12 - C14	6300	mg/kg	140	68	EPA-8015CC	ND	A01	1
TPH - C15 - C16	5700	mg/kg	140	68	EPA-8015CC	ND	A01	1
TPH - C17 - C18	7300	mg/kg	140	68	EPA-8015CC	ND	A01	1
TPH - C19 - C20	6500	mg/kg	140	68	EPA-8015CC	ND	A01	1
TPH - C21 - C22	5800	mg/kg	140	68	EPA-8015CC	ND	A01	1
TPH - C23 - C28	16000	mg/kg	140	68	EPA-8015CC	ND	A01	1
TPH - C29 - C32	1300	mg/kg	140	68	EPA-8015CC	ND	A01	1
TPH - C33 - C36	6300	mg/kg	140	68	EPA-8015CC	ND	A01	1
TPH - C37 - C40	ND	mg/kg	140	68	EPA-8015CC	ND	A01	1
TPH - C41 - C43	ND	mg/kg	140	68	EPA-8015CC	ND	A01	1
TPH - C44 plus	ND	mg/kg	140	68	EPA-8015CC	ND	A01	1
TPH (Total)	56000	mg/kg	1400	320	EPA-8015CC	ND	A01	1
Tetracosane (Surrogate)	90.8	%	20 - 145 (LCL - UCL)		EPA-8015CC		A01	1

Run #	Method	Prep Date	Run Date/Time	Analyst	Instrument	Dilution	QC Batch ID
1	EPA-8015CC	02/08/15	02/12/15 19:43	MWB	GC-13	136.36	BYB0644

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***EXHIBIT* “8”**



Laboratories, Inc.

Environmental Testing Laboratory Since 1949

Midway Laboratory
P O Box 1151
315 Main Street
Taft, CA 93268

Reported: 02/13/2015 14:36
Project: Misc Samples
Project Number: 28253-1
Project Manager: Kurt Buckle

Volatile Organic Analysis (EPA Method 8260B)

BCL Sample ID:	1502547-01	Client Sample Name:	Bob001 Enos Ln., 2/2/2015 8:21:00AM						
Constituent	Result	Units	PQL	MDL	Method	MB Bias	Lab Quals	Run #	
Benzene	1.2	mg/kg	0.050	0.013	EPA-8260B	ND	A01	1	
Ethylbenzene	1.7	mg/kg	0.050	0.015	EPA-8260B	ND	A01	1	
Toluene	3.2	mg/kg	0.050	0.012	EPA-8260B	ND	A01	1	
Total Xylenes	9.4	mg/kg	0.10	0.034	EPA-8260B	ND	A01	1	
p- & m-Xylenes	6.4	mg/kg	0.050	0.022	EPA-8260B	ND	A01	1	
o-Xylene	3.0	mg/kg	0.050	0.012	EPA-8260B	ND	A01	1	
1,2-Dichloroethane-d4 (Surrogate)	104	%	70-121 (LCL - UCL)		EPA-8260B			1	
Toluene-d8 (Surrogate)	131	%	81-117 (LCL - UCL)		EPA-8260B		S09	1	
4-Bromofluorobenzene (Surrogate)	120	%	74-121 (LCL - UCL)		EPA-8260B			1	

Run #	Method	Prep Date	Run Date/Time	Analyst	Instrument	Dilution	QC Batch ID
1	EPA-8260B	02/03/15	02/03/15 15:30	ADC	MS-V2	10	BY80041

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Report ID: 1000324977

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Page 2 of 20

EXHIBIT “9”



BC Laboratories, Inc.

Environmental Testing Laboratory Since 1949

Midway Laboratory
P O Box 1151
315 Main Street
Taft, CA 93268

Reported: 02/13/2015 14:39
Project: Misc Samples
Project Number: 28253-2
Project Manager: Kurt Buckle

Volatile Organic Analysis (EPA Method 8260B)

BCL Sample ID: 1502548-01 Client Sample Name: Bob002 Enos Ln., 2/2/2015 8:26:00AM

Constituent	Result	Units	PQL	MDL	Method	MB Bias	Lab Quals	Run #
Benzene	2.6	mg/kg	0.050	0.013	EPA-8260B	ND	A01	1
Ethylbenzene	4.3	mg/kg	0.050	0.015	EPA-8260B	ND	A01	1
Toluene	3.4	mg/kg	0.050	0.012	EPA-8260B	ND	A01	1
Total Xylenes	8.6	mg/kg	0.25	0.085	EPA-8260B	ND	A01	2
p- & m-Xylenes	5.9	mg/kg	0.12	0.056	EPA-8260B	ND	A01	2
o-Xylene	2.7	mg/kg	0.12	0.030	EPA-8260B	ND	A01	2
1,2-Dichloroethane-d4 (Surrogate)	112	%	70 - 121 (LCL - UCL)		EPA-8260B			1
1,2-Dichloroethane-d4 (Surrogate)	108	%	70 - 121 (LCL - UCL)		EPA-8260B			2
Toluene-d8 (Surrogate)	214	%	81 - 117 (LCL - UCL)		EPA-8260B		S09	1
Toluene-d8 (Surrogate)	121	%	81 - 117 (LCL - UCL)		EPA-8260B		S09	2
4-Bromofluorobenzene (Surrogate)	180	%	74 - 121 (LCL - UCL)		EPA-8260B		S09	1
4-Bromofluorobenzene (Surrogate)	111	%	74 - 121 (LCL - UCL)		EPA-8260B			2

Run #	Method	Prep Date	Run Date/Time	Analyst	Instrument	Dilution	QC Batch ID
1	EPA-8260B	02/03/15	02/03/15 15:52	ADC	MS-V2	10	BYB0041
2	EPA-8260B	02/03/15	02/04/15 16:04	ADC	MS-V2	25	BYB0041

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EXHIBIT “10”

Midway Laboratory, Inc
 CHAIN OF CUSTODY FORM
 15-02548 LOG NUMBER: 18753-2
 PAGE OF

AREA:
 FREQUENCY

COMPANY: Midway Laboratory, Inc CONTACT: Office Personnel (See Contract) PHONE: (661) 765-2384 FAX: (661) 765-6920 ADDRESS: P.O. Box 1181 TALL, CA 93281 EMAIL: info@midwaylab.com SAMPLES:		ANALYSIS REQUESTED X H2O X H2S X H2O2 X H2O X H2S		ANALYSIS REQUIRED X H2O X H2S X H2O2 X H2O X H2S		NUMBER OF CONTAINERS TYPE OF CONTAINERS (SEE LIST) SAMPLE MATRIX (SEE LIST) PRESERVATIVES REQUIRED (SEE LIST)		TEMPERATURE Type: _____ Unit: _____ Location: _____ Unit: _____ Recorder: _____ Unit: _____		CONTAINER TYPES CR - CRACKS AG - AIR GASES IM - IMPURITIES PM - PARTICULATE OF - OILS TS - TISSUE TO - TOXIC TR - TRACERS TB - TISSUE TD - TISSUE TT - TISSUE TW - TISSUE TX - TISSUE TY - TISSUE TZ - TISSUE		SAMPLE MATRIX CR - CRACKS AG - AIR GASES IM - IMPURITIES PM - PARTICULATE OF - OILS TS - TISSUE TO - TOXIC TR - TRACERS TB - TISSUE TD - TISSUE TT - TISSUE TW - TISSUE TX - TISSUE TY - TISSUE TZ - TISSUE		COMMENTS: THIS SPACE RESERVED FOR LABORATORY USE ONLY	
SAMPLE DESCRIPTION Bobcat		LOCATION FIDUCY #105 In.		SAMPLE DATE 2-2-15		ANALYSIS DATE 11-17		ANALYSIS TIME 0730		ANALYST [Signature]		CHECKED BY [Signature]		SUPERVISOR [Signature]	

Alan J. Harris - President/Owner
 Phone: 661-765-2384 • Fax: 661-765-6920 • Email: alharris@midwaylab.com • State Certification Number: 1398 • www.midwaylab.com



BC Laboratories, Inc.

Environmental Testing Laboratory Since 1949

BC LABORATORIES INC.		COOLER RECEIPT FORM		Rev. No. 18	09/04/14	Page	Of					
Submission #: <u>15-02548</u>												
SHIPPING INFORMATION Federal Express <input checked="" type="checkbox"/> UPS <input type="checkbox"/> Hand Delivery <input type="checkbox"/> BC Lab Field Service <input type="checkbox"/> Other <input type="checkbox"/> (Specify) _____				SHIPPING CONTAINER Ice Chest <input checked="" type="checkbox"/> None <input type="checkbox"/> Box <input type="checkbox"/> Other <input type="checkbox"/> (Specify) _____		FREE LIQUID YES <input type="checkbox"/> NO <input type="checkbox"/>						
Refrigerant: Ice <input type="checkbox"/> Blue Ice <input checked="" type="checkbox"/> None <input type="checkbox"/> Other <input type="checkbox"/> Comments: _____												
Custody Seals   None <input type="checkbox"/> Comments: _____												
All samples received? Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> All samples containers intact? Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> Description(s) match COC? Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>												
<input checked="" type="checkbox"/> COC Received <input type="checkbox"/> YES <input type="checkbox"/> NO		Emissivity: <u>0.97</u> Container: <u>PE</u> Thermometer ID: <u>208</u>		Date/Time: <u>2/15</u>		Analyst Init: <u>MMS</u>						
Temperature: (A) <u>4.7</u> °C (C) <u>4.5</u> °C												
SAMPLE CONTAINERS			SAMPLE NUMBERS									
			1	2	3	4	5	6	7	8	9	10
QT GENERAL MINERAL / GENERAL												
PT PE UNPRESERVED												
QT INORGANIC CHEMICAL METALS												
PT INORGANIC CHEMICAL METALS												
PT CYANIDE												
PT NITROGEN FORMS												
PT TOTAL SULFIDE												
2oz NITRATE / NITRITE												
PT TOTAL ORGANIC CARBON												
PT TOX												
PT CHEMICAL OXYGEN DEMAND												
PIA PHENOLICS												
40ml VOA VIAL TRAVEL BLANK												
40ml VOA VIAL												
QT EPA 411, 412, 413												
PT ODOR												
RADIOLOGICAL												
BACTERIOLOGICAL												
40 ml VOA VIAL 504												
QT EPA 501/502/503												
QT EPA 511/512												
QT EPA 515												
QT EPA 515 TRAVEL BLANK												
40ml EPA 547												
40ml EPA 511												
8oz Amber EPA 548												
QT EPA 549												
QT EPA 602												
QT EPA 611M												
QT AMBR												
8 OZ. JAR												
32 OZ. JAR												
SOIL SLIPE												
PCR VIAL												
PLASTIC BAG												
FERROUS IRON												
ENCORE												
SMART KIT												
Summa Canister												

Comments: _____
 Sample Numbering Completed By: Jan Date/Time: 2/15 08:55 ISAWPDoc/Ward/Perfekt/LAB_DOCFORMSISAMRE0
 A = Actual / C = Corrected

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EXHIBIT “11”

BC LABORATORIES INC. COOLER RECEIPT FORM Rev. No. 18 09/04/14 Page 1 Of 1

Submission #: 15-02547

SHIPPING INFORMATION
 Federal Express UPS Hand Delivery
 BC Lab Field Service Other (Specify) _____

SHIPPING CONTAINER
 Ice Chest None Box
 Other (Specify) _____

FREE LIQUID
 YES NO

Refrigerant: Ice Blue Ice None Other Comments: _____

Custody Seals: Ice Chest Containers None Comments: _____

All samples received? Yes No All samples containers intact? Yes No Description(s) match COC? Yes No

COC Received YES NO
 Emissivity: 0.97 Container: PE Thermometer ID: 208 Date/Time: 2/3/15
 Temperature: (A) 4.7 °C (IC) 4.5 °C Analyst Init: MVS

SAMPLE CONTAINERS	SAMPLE NUMBERS									
	1	2	3	4	5	6	7	8	9	10
QT GENERAL MINERAL/ GENERAL										
PT PB UNPRESERVED										
QT INORGANIC CHEMICAL METALS										
PT INORGANIC CHEMICAL METALS										
PT CYANIDE										
PT NITROGEN FORMS										
PT TOTAL SULFIDE										
2oz. NITRATE/NITRITE										
PT TOTAL ORGANIC CARBON										
PT TOX										
PT CHEMICAL OXYGEN DEMAND										
HA PHENOLICS										
40ml VOA VIAL TRAVEL BLANK										
40ml VOA VIAL										
QT EPA 4131, 4132, 4133										
PT ODOR										
RADIOLOGICAL										
BACTERIOLOGICAL										
40ml VOA VIAL - EM										
QT EPA 508/509/5090										
QT EPA 515/5153										
QT EPA 523										
QT EPA 515 TRAVEL BLANK										
40ml EPA 547										
40ml EPA 531										
8oz Amber EPA 648										
QT EPA 507										
QT EPA 652										
QT EPA 601SM										
QT AMBER										
8OZ. JAR										
8OZ. JAR										
SOIL BLERVE										
PCB VIAL										
PLASTIC BAG										
FERROUS IRON										
INCOBE										
SMART KIT										
Summa Canister										

Comments: _____
 Sample Numbering Completed By: CA Date/Time: 2/3/15 0855 (S:\WP\Doc\Word\Doc\LAB_DOC\FORMS\SAMEKIT)

Mahaffey Law Group, P.C.
20162 Southwest Birch, St., Suite 300
Newport Beach, CA 92660

PROOF OF SERVICE

STATE OF CALIFORNIA, COUNTY OF ORANGE

I am employed in the City of Newport Beach, County of Orange, State of California. I am over the age of 18 years and not a party to the within action. My business address is 20162 Southwest Birch, St. Suite 300, Newport Beach, California 92660.

On September 25, 2015, I served the documents named below on the parties in this Action as follows:

DOCUMENT(S) SERVED: PETITION FOR REVIEW AND REQUEST FOR STAY OF CLEANUP AND ABATEMENT ORDER R5-2015-0730 (CAO) FOR GRAYSON SERVICE, INC. PURSUANT TO WATER CODE §13307.5; PRELIMINARY MEMORANDUM OF POINTS AND AUTHORITIES; REQUEST INVESTIGATIVE PERIOD AND FOR HEARING; DECLARATION OF DOUGLAS L. MAHAFFEY

SERVED UPON: SEE ATTACHED SERVICE LIST

[XX] (BY MAIL) I caused each such envelope, with postage thereon fully prepaid, to be placed in the United States mail at Newport Beach, California. I am readily familiar with the practice of Mahaffey Law Group for collection and processing of correspondence for mailing, said practice being that in the ordinary course of business, mail is deposited in the United States Postal Service the same day as it is placed for collection. I am aware that on motion of party served, service is presumed invalid if postal cancellation date or postage meter date is more than one day after deposit for mailing in affidavit.

[] (BY FACSIMILE) The above-referenced document was transmitted by facsimile transmission and the transmission was reported as completed and without error. I either caused, or had someone cause, the transmitting machine to properly transmit the attached documents to the facsimile numbers shown on the service list.

[XX] (BY E-MAIL OR ELECTRONIC TRANSMISSION) Based on a court order or an agreement of the parties to accept service by e-mail or electronic transmission, I caused the document(s) to be sent to the persons at the e-mail addresses as listed above and/or on the attached Service List. I did not receive, within a reasonable time after the transmission, any electronic message or other indication that the transmission was unsuccessful.

I declare that I am employed in the office of a member of the bar of this court, at whose direction this service was made. I declare under penalty of perjury under the laws of the United States of America and the State of California that the foregoing is true and correct. Executed on September 25, 2015, at Newport Beach, California.


Dezerray McMoil

Mahaffey Law Group, P.C.
20162 Southwest Birch, St., Suite 300
Newport Beach, CA 92660

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SERVICE LIST

State Water Resources Control Board Office of Chief Counsel Adrianna M. Crowl P.O. Box 100 Sacramento, CA 95812-0100 waterqualitypetitions@waterboards.ca.gov Tel: (916) 341-5156 Fax: (916) 341-5199 Via Electronic Copy and U.S. Mail.	Ron Holcomb California Regional Water Quality Control Board Central Valley Region 1685 E. Street Fresno CA 92706 Ronald.Holcomb@waterboards.ca.gov Tel: (559) 445-6050 Via Electronic Copy
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