

E&B NATURAL RESOURCES MANAGEMENT CORPORATION

Land Department
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VIA OVERNIGHT MAIL DELIVERY
Email to: Phillip@mbenterprises.com

May 6, 2015

RPM Management LLC
Attn: Phillip Marshall
Senior Vice President of Operations
PO Box 2188
Livermore, California 94551-2188

**Re: Response to letter dated April 28, 2015, 8467 Patterson Pass Road
GIG Lease, Livermore Field, Alameda County, CA**

Dear Mr. Marshall:

Thank you again for taking the time on Monday to meet at the GIG Lease facility site with myself and Shams Hasan, E&B Natural Resources Management Corporation's (E&B) Health, Safety and Environmental Manager. It was also beneficial to have Christopher Tougeron, Senior Hazardous Materials Specialist for the Environmental Health Department of Alameda County, present to review the items and issues raised in your e-mail and letter dated April 28, 2015.

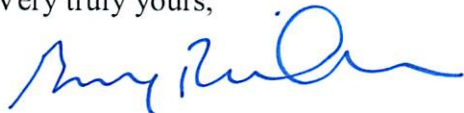
As discussed, E&B's tank removal and associated activities have been planned and monitored by the appropriate Environmental and Operations Staff as well as consulting entities that specialize in the work performed. Specifically, Jennifer Brady, E&B Environmental Compliance Coordinator, has been the primary coordinator for facilities site maintenance in the Livermore Oil Field. Overall, seven oil production facility tanks have been removed from the Schenone, Nissen, and GIG leases in August of 2014 or February of 2015. As stated in E&B's Conditional Use Permit with Alameda County and in accordance with California Public Resources Code 3106, the Division of Oil, Gas, and Geothermal Resources (DOGGR) is the lead agency for oil and gas production operations and facility maintenance, removal and replacement in the Livermore Field. All tanks that were removed (including the tanks located on your property) were inspected for integrity by the DOGGR for AB 1960 requirements. The tanks were then truck transported by Liberty Lift to Bakersfield in late February and early March of 2015, for reuse at other E&B leases.

As an internal best management practices guideline, a sample of the impacted soil was taken and analyzed by Zalco Laboratories, Inc. a State certified lab, for Title 22 hazardous waste characterization. Zalco found the GIG soil sample to be non-hazardous. Clean and compatible soil will be used to backfill the excavation. The soil that was not utilized for beneficial re-use was transported to Potrero Hills Landfill on April 27, 2015 and April 28, 2015, by Green Compass, which provides environmentally safe transportation and disposal of non-hazardous waste.

All of the aforementioned activities were coordinated by Ms. Brady, and the process was reviewed and approved by Mr. Hasan. Further, Avanti Environmental inspected the Livermore Field, including the GIG facility site and determined that the equipment and all leak paths are in compliance with the allowable limits for fugitive emissions. Avanti Environmental is a licensed engineering contractor focused on leak emissions detection and certified to conduct such inspections throughout the state. Also, during our visit to the facility on May 4, 2015, we did not observe any odors that could be attributed to any leaks or fugitive emissions. There have been no unlawful discharges on your property or the neighbor's property, and the materials which you thought may have been hazardous were tested and found to be non-hazardous. E&B's operations are extensively regulated by the DOGGR, Bay Area Air Quality Management District and Alameda County and E&B follows all such regulations. Ms. Brady has and will continue to communicate with and provide information requested by Mr. Tougeron with Alameda County.

It is E&B's intent that its operations in the Livermore Field and on the GIG Lease will continue in a prudent and environmentally safe manner for many years to come. Our staff cares about protecting the environment and having positive relationships with land owners on and around its facilities and operating areas. Thank you again for taking the time to meet with us and we will endeavor to improve our communications with you in the future. In that regard, as you and I have communicated on several occasions in the past, always feel free to contact myself (or Shams Hasan) should you ever have questions or concerns about our operations.

Very truly yours,



Gary Richardson
Vice President of Land