

August 14, 2012

Louisiana Office of Conservation 617 N. Third St. Baton Rouge, LA 70802-5428

Attn: Mr. Brent Campbell

Director, Pipeline Division

RE: Acadian Gas Pipelines in the Bayou Corne Area

Mr. Campbell,

Per your request, Acadian Gas Pipelines is hereby submitting a summary of actions taken in the Bayou Corne area since notification of a possible pipeline leak was received on May 31, 2012.

- 5/31/2012 Received Louisiana One Call ticket issued by Crosstex for possible pipeline leak in Bayou Corne. Pipeline Tech went to site and determined the bubbles coming up in the canal were not over our pipelines, but rather approximately 100 ft. away.
- 6/5/2012 Received call from Assumption Parish OEP Director John Boudreaux, asking us to go with him and look at the bubble site to determined if it was one of our pipelines leaking or not. Went to the site and told John I did not feel it was one of our lines leaking, that it was closer to Crosstex.
- 6/11/2012 Brought divers out to our two pipeline crossings in Bayou Corne and allowed them to water jet down to the pipeline on each crossing every 10 ft for the entire width of the canal on each crossing. We felt by jetting down to the pipeline we would disturb the cover on top of the lines and create a path of least resistance. If we did indeed have a leak, it should have started bubbling up on top of the pipelines, which it did not.
- 6/22/2012 Caught samples from the bubble site in Bayou Corne and the two pipelines and sent to our lab at the Port Allen Frac Plant. Samples did not match.
- 6/28/2012 Chico D Pipeline we reduced the pressure from 800 PSI to 380 PSI by means of spilling over into one of our lower pressure systems. No change at the bubble site.

- 7/02/2012 Shut in the Grand Bayou Storage well from 7/2 thru 7/12 to check the integrity. No issues.
- 7/17/2012 Chico B Pipeline we reduced the pressure from 821 PSI to 25 PSI by means of compressor and blow down. No change at the bubble site.
- 7/18/2012 Chico D Pipeline we reduced the pressure from 837 PSI to 50 PSI by means of compressor and blow down. No change at the bubble site.
- 8/03/2012 Notified of the sink hole at 9AM by Kenny Blanchard with Texas Brine.
- 8/05/2012 Chico B&D Pipelines were reduced from 800 PSI to 0 PSI by means of compressor, spilling, flaring and blow down. No change at the bubble site.

We will continue to work closely with DNR and all other Agencies. Please feel free to contact Doug Kotar or me if you have any additional questions.

Sincerely,

Phu Phan

Director, Transportation Compliance