

Texas Brine Company, LLC

1301 Highway 70 Belle Rose, LA 70341 Phone: 985-369-6657 Fax: 985-369-7873



March 6, 2013

Commissioner James H. Welsh P.O. Box 94275 Baton Rouge, LA 70804

RE: In response to State of Louisiana Department of Natural Resources Office of Conservation's Second Amendment to Declaration of Emergency and Directive

Commissioner Welsh,

In response to the Second Amendment and Declaration of Emergency and Directive order issued by the Louisiana Department of Natural Resources (LDNR), Office of Conservation on September 25, 2012, Texas Brine Company, LLC (TPC) understands the seven items listed in the document.

In the above mentioned, TBC was specifically directed and ordered to perform certain tasks outlined in the above mentioned document. Below are the required responses, as directed.

- 1. TBC's counsel provided LDNR legal counsel with a response to Directives 1-3 on September 28, 2012.
- TBC understands Directive 4, which is to provide all daily logs and field notes from all contractors conducting investigation into subsidence and natural gas bubbling. The Daily Action Summary and results for current information can be found in the Attachment section of this report.
- 3. TBC understands Directive 5, which directs TBC to immediately allow for split or share any sample taken on site related to Well 3A (Serial Number 974265), the cavern, other wells facilities or other site locations. The Daily Action Summary of today's collection can be found in Attachment section of this report.
- 4. TBC understands Directive 6, which directs TBC to immediately report the results (final and preliminary) of any tests, logs samples or data collection performed on Well 3A, the cavern, other wells, facilities or site locations that indicate a change in any previously known conditions related to the investigation of the subsidence or natural gas bubbling

events, and continue to report any such results. The Daily Action Summary and the Results related to this Directive can be found in Attachment section of this report.

5. TBC understands the Directive 7, which states that TBC will provide a daily summary of all tests, or logs performed or samples taken from Well 3A and the cavern as well as any results of those tests or logs, including preliminary as of September 25, 2012 and going forward. The Daily Summary and Results related to this Directive can be found in Attachment section of this report.

Please note that the drilling rig used for the Observation Well 3A has been removed and the site is being rigged down and returned to pre-drilling condition. As such, daily drilling reports for this well have ceased. Plans are being made for longer term potential gas venting/flaring requirements and possible hydrocarbon material recover from Well 3A.

In addition, previous daily summary reports issued to LDNR have included significant duplicate information as there is a fair amount of overlap in the information requested in each of the Directives included in the September 25, 2012 order. All requested information associated with the Directives issued in the September 25, 2012 order are included in the Attachment section of this report.

TBC believes that the submittal of this report satisfies the requirements of the Declaration of Emergency and Directive issued on September 25, 2012. As directed this report is submitted by email to <u>conservationorder@la.gov</u>, ref. "Emergency Declaration-Texas Brine Company LLC-9/25/2012.

Bana E. Mart

Bruce E. Martin Vice President, Operations Texas Brine Company, LLC

Summary Table for Daily Events

		TBC	Oxy Grand Bayou Data	a Management-Environm	ent	al								
Contractor	Responsibilities		collected By	Date Collected	_		Results from Lab	Laboratory	Method	Date to Agencies	Labo			
Sage	Stationary Air Monitoring	Bijeet Muk	herjee - 08:08 - 09:40	3/5/2013	T	NA	NA	NA	AreaRAE Monitors	3/6/2013				
l –	Desidential Air Menitoria		V (Code Red) - 07:00 -	2/5/2042	_	NA	NA				Lab			
	Residential Air Monitoring	-	ork performed	3/5/2013 3/5/2013	_	NA	NA	NA	NA	NA NA				
	Gas Seep Sampling Well Gas Sampling		ork performed		_	NA	NA	NA	NA					
E E		-	ork performed	3/5/2013	_			NA	NA	NA				
-	Indoor Air Monitoring	Now	ork performed	3/5/2013	_	NA	NA	NA	NA	NA				
Respec	Inclinometers/Tilt Meters	3/5/2013	No work conducted	No work conducted	IA	NA	NA		NA	NA				
	InSAR Reflector Installations	3/5/2013	No work conducted	No work conducted	IA	NA	NA		NA	NA				
	Subsidence Survey-Fenstermaker	3/5/2013	No work conducted	No work conducted N	А	NA	NA		NA	NA				
	Shallow Geophone Installation	3/5/2013	No work conducted	No work conducted	IA	NA	NA		NA	NA				
	Deep Geophone Installation	3/5/2013	No work conducted	No work conducted	IA	NA	NA		NA	NA				
	Amendment #3, Directive #2	3/5/2013	No work conducted	No work conducted NA		NA	NA		NA	NA				
Miller	Weekly Stability Survey		/ork Performed	Mar. 5, 2013		NA	NA	NA	NA	NA				
	Misc. Survey Work		/ork Performed	Mar. 5, 2013		NA	NA	NA	NA	NA	Labo			
	Sinkhole Hydro/Perimeter Survey	No V	/ork Performed	Mar. 5, 2013		NA	NA	NA	NA	NA	Lab (
Pisani	Surface Water		NA	NA		NA	NA	NA	NA	NA				
	Well Water		PMR	3/5/2013		ΝΑ	ΝΑ	GCAL	(Inorganic Anions) – SW-846 9056A, Conductivity – SM 2510B, TDS – SM 2540C, Cations/metals – SW-846 6010B, Carbonate & Bicarbonate Alkalinity – SM 2320B, BTEX – SW- 846 8260B, TPH Fractions – TX 1006/LA 1006, and Dissolved Gases – RSK-175	ΝΑ				
	Geoprobe Wells		NA	NA		NA	NA	NA	NA	NA				
				·			·		·					
			Grand Ba	ayou Well 3A										
	Daily Operations at 3A		Summary of Today's events											
						Oxy 3A								
	3/6/2013	7am 360.94		3/6/2013		expert								
				0,0,2020		Relief Well	#1							
	3/6/2013	1			.	ORW-01 Flare Sp	araadchaat							

Attachments

Daily Action Summary

March 5, 2013

Stationary Air Monitoring

- Bijeet Mukherjee onsite from 08:08 to 09:40. Changed out the monitors between 08:14 and 09:16. Collected data from the monitoring database and forwarded to Eric Rucinski in the Baton Rouge office for processing.
- Pete Hyatt IV of Code Red (monitor sub-contractor) onsite from 07:00 to 17:00. Assisted in battery change outs and maintenance of the monitoring equipment.

Residential Air Monitoring

• Not Scheduled

Gas Seep Sampling

• Not Scheduled

Well Gas Sampling

• Not Scheduled

Air Indoor Monitoring

• Not Scheduled

Texas Brine - Belle Rose, Louisiana Hourly Air Monitoring Data

*Time indicates start of time period (ex. 12:00:00 AM gives the time period 12:00:00 AM to 12:59:59 AM)

		South	-most Pipeli	ne Site		Middle-most Pipeline Site						On	Drill Rig Bo	oom		Relief Well									
		ST-3			ST-2						ST-1					OG 3A-1				RW-1					
		Non- Methane					Non- Methane					Non- Methane					Non- Methane					Non-			
		VOC					VOC					VOC					VOC					Methane			
Date-Time *	CO (ppm)	(ppm)	H2S (ppm)	LEL (%)	O2 (%)	CO (ppm)	(ppm)	H2S (ppm)	LEL (%)	O2 (%)	CO (ppm)	(ppm)	H2S (ppm)	LEL (%)	O2 (%)	SO2 (ppm)	(ppm)	H2S (ppm)	LEL (%)	O2 (%)	CO (ppm)	VOC (ppm)	H2S (ppm)	LEL (%)	O2 (%)
03/05/2013 01:00:00 AM	<1.0	<1.0	0.0	0.0	20.9	0.0	0.0	0.0	0.0	20.9	0.0	0.0	0.0	0.0	20.9	0.0	0.0	0.0	0.0	20.9	0.0	0.0	0.0	0.0	20.9
03/05/2013 02:00:00 AM	<1.0	<1.0	0.0	0.0	20.9	0.0	0.0	0.0	0.0	20.9	0.0	0.0	0.0	0.0	20.9	0.0	0.0	0.0	0.0	20.9	0.0	0.0	0.0	0.0	20.9
03/05/2013 03:00:00 AM	<1.0	<1.0	<1.0	0.0	20.9	0.0	0.0	0.0	0.0	20.9	0.0	0.0	0.0	0.0	20.9	0.0	0.0	0.0	0.0	20.9	0.0	0.0	0.0	0.0	20.9
03/05/2013 04:00:00 AM	<1.0	<1.0	0.0	0.0	20.9	0.0	0.0	0.0	0.0	20.9	0.0	0.0	0.0	0.0	20.9	0.0	0.0	0.0	0.0	20.9					
03/05/2013 05:00:00 AM	<1.0	0.0	0.0	0.0	20.9	0.0	0.0	0.0	0.0	20.9	0.0	0.0	0.0	0.0	20.9	0.0	0.0	0.0	0.0	20.9					
03/05/2013 06:00:00 AM	<1.0	<1.0	0.0	0.0	20.9	0.0	0.0	0.0	0.0	20.9	0.0	0.0	0.0	0.0	20.9	0.0	0.0	0.0	0.0	20.9		Ba	ttery Malfuct	ion	
03/05/2013 07:00:00 AM	<1.0	0.0	0.0	0.0	20.9	0.0	0.0	0.0	0.0	20.9	0.0	0.0	0.0	0.0	20.9	<1.0	0.0	0.0	0.0	20.9					
03/05/2013 08:00:00 AM	<1.0	<1.0	0.0	1.6	20.9	<1.0	<1.0	0.0	0.0	20.9	0.0	0.0	0.0	0.0	20.9	0.0	0.0	0.0	0.0	20.9					
03/05/2013 09:00:00 AM	<1.0	0.0	<1.0	6.6	20.9	<1.0	0.0	0.0	0.0	20.9	0.0	0.0	0.0	0.0	20.9	<1.0	0.0	<1.0	0.0	20.9	0.0	0.0	0.0	0.0	20.9
03/05/2013 10:00:00 AM	0.0	0.0	<1.0	9.0	20.9	0.0	0.0	<1.0	0.0	21.2	0.0	0.0	0.0	0.0	20.9	0.0	0.0	0.0	0.0	20.9	0.0	0.0	0.0	0.0	20.9
03/05/2013 11:00:00 AM	0.0	0.0	0.0	8.9	20.9	0.0	0.0	0.0	0.0	21.4	0.0	0.0	0.0	0.0	21.1	0.0	0.0	0.0	0.0	20.9	0.0	0.0	0.0	0.0	20.9
03/05/2013 12:00:00 PM	0.0	0.0	0.0	8.0	20.9	0.0	0.0	0.0	0.0	21.3	0.0	0.0	0.0	0.0	21.0	0.0	0.0	0.0	0.0	20.9	0.0	0.0	0.0	0.0	20.9
03/05/2013 01:00:00 PM	0.0	0.0	0.0	7.8	20.9	0.0	0.0	0.0	0.0	21.3	0.0	0.0	0.0	0.0	21.0	0.0	0.0	0.0	0.0	20.9	0.0	0.0	0.0	0.0	20.9
03/05/2013 02:00:00 PM	0.0	0.0	<1.0	7.7	20.9	0.0	0.0	0.0	0.0	21.4	0.0	0.0	0.0	0.0	20.9	0.0	0.0	0.0	0.0	20.9	0.0	0.0	0.0	0.0	20.9
03/05/2013 03:00:00 PM	0.0	0.0	0.0	7.6	20.9	0.0	0.0	0.0	0.0	21.4	0.0	0.0	0.0	0.0	21.1	0.0	0.0	0.0	0.0	20.9	0.0	0.0	0.0	0.0	21.0
03/05/2013 04:00:00 PM	0.0	0.0	<1.0	7.1	20.9	0.0	0.0	0.0	0.0	21.4	0.0	0.0	0.0	0.0	21.3	0.0	0.0	0.0	0.0	20.9	0.0	0.0	0.0	0.0	21.2
03/05/2013 05:00:00 PM	0.0	0.0	0.0	6.6	20.9	0.0	0.0	<1.0	0.0	21.4	0.0	0.0	0.0	0.0	21.3	0.0	0.0	0.0	0.0	20.9	0.0	0.0	0.0	0.0	21.2
03/05/2013 06:00:00 PM	0.0	0.0	0.0	6.0	20.9	0.0	0.0	0.0	0.0	21.3	0.0	0.0	0.0	0.0	21.2	<1.0	0.0	0.0	0.0	20.9	0.0	0.0	0.0	0.0	21.0
03/05/2013 07:00:00 PM	0.0	0.0	<1.0	5.4	20.9	0.0	0.0	0.0	0.0	21.2	0.0	0.0	0.0	0.0	21.2	<1.0	0.0	0.0	0.0	20.9	0.0	0.0	0.0	0.0	20.9
03/05/2013 08:00:00 PM	0.0	0.0	<1.0	5.0	20.9	0.0	0.0	0.0	0.0	21.0	0.0	0.0	0.0	0.0	21.1	<1.0	0.0	0.0	0.0	20.9	0.0	0.0	0.0	0.0	20.9
03/05/2013 09:00:00 PM	0.0	0.0	<1.0	4.7	20.9	0.0	0.0	0.0	0.0	20.9	0.0	0.0	0.0	0.0	21.2	1.4	0.0	0.0	0.0	20.9	0.0	0.0	0.0	0.0	20.9
03/05/2013 10:00:00 PM	0.0	0.0	<1.0	4.4	20.9	0.0	0.0	0.0	0.0	20.9	0.0	0.0	0.0	0.0	21.0	1.8	0.0	0.0	0.0	20.9	0.0	0.0	0.0	0.0	20.9
03/05/2013 11:00:00 PM	0.0	0.0	<1.0	4.0	20.9	0.0	0.0	0.0	0.0	20.9	0.0	0.0	0.0	0.0	20.9	2.1	0.0	0.0	0.0	20.9	0.0	0.0	0.0	0.0	20.9
03/06/2013 12:00:00 AM	0.0	0.0	<1.0	3.6	20.9	0.0	0.0	0.0	0.0	20.9	0.0	0.0	0.0	0.0	21.3	2.6	0.0	0.0	0.0	20.9	0.0	0.0	0.0	0.0	20.9

Notes: Beginning at 03:15 AM on 03/05/2013, RTU-4, located at RW-1, stopped collecting data due to a battery malfunction. RTU-1 was placed at RW-1 at 09:13 AM on 03/05/2013, and normal data collection resumed.

Texas Brine - Belle Rose, Louisiana Hourly Air Monitoring Data

*Time indicates start of time period (ex. 12:00:00 AM gives the time period 12:00:00 AM to 12:59:59 AM)

		ne Site			Middle	-most Pipeli	ine Site			North	-most Pipeli	ne Site			On	Drill Rig Boo	om				Relief Well				
			ST-3					ST-2					ST-1					OG 3A-1					RW-1		
		Non-					Non-					Non-													ł
		Methane					Methane					Methane					Non-					Non-			
		VOC					VOC					VOC					Methane					Methane			
	CO (ppm)	(ppm)	H2S (ppm)	LEL (%)		CO (ppm)	(ppm)	H2S (ppm)	LEL (%)	O2 (%)	CO (ppm)	(ppm)	H2S (ppm)	LEL (%)		SO2 (ppm)	VOC (ppm)	H2S (ppm)	LEL (%)		CO (ppm)	VOC (ppm)	H2S (ppm)	LEL (%)	O2 (%)
03/05/2013 05:00:00 AM	<1.0	0.0	0.0	0.0	20.9	0.0	0.0	0.0	0.0	20.9	0.0	0.0	0.0	0.0	20.9	0.0	0.0	0.0	0.0	20.9					
03/05/2013 06:00:00 AM	<1.0	<1.0	0.0	0.0	20.9	0.0	0.0	0.0	0.0	20.9	0.0	0.0	0.0	0.0	20.9	0.0	0.0	0.0	0.0	20.9		Ba	tterv Malfuctio	an an	
03/05/2013 07:00:00 AM	<1.0	0.0	0.0	0.0	20.9	0.0	0.0	0.0	0.0	20.9	0.0	0.0	0.0	0.0	20.9	<1.0	0.0	0.0	0.0	20.9		Da	acry manueuo		
03/05/2013 08:00:00 AM	<1.0	<1.0	0.0	1.6	20.9	<1.0	<1.0	0.0	0.0	20.9	0.0	0.0	0.0	0.0	20.9	0.0	0.0	0.0	0.0	20.9					
03/05/2013 09:00:00 AM	<1.0	0.0	<1.0	6.6	20.9	<1.0	0.0	0.0	0.0	20.9	0.0	0.0	0.0	0.0	20.9	<1.0	0.0	<1.0	0.0	20.9	0.0	0.0	0.0	0.0	20.9
03/05/2013 10:00:00 AM	0.0	0.0	<1.0	9.0	20.9	0.0	0.0	<1.0	0.0	21.2	0.0	0.0	0.0	0.0	20.9	0.0	0.0	0.0	0.0	20.9	0.0	0.0	0.0	0.0	20.9
03/05/2013 11:00:00 AM	0.0	0.0	0.0	8.9	20.9	0.0	0.0	0.0	0.0	21.4	0.0	0.0	0.0	0.0	21.1	0.0	0.0	0.0	0.0	20.9	0.0	0.0	0.0	0.0	20.9
03/05/2013 12:00:00 PM	0.0	0.0	0.0	8.0	20.9	0.0	0.0	0.0	0.0	21.3	0.0	0.0	0.0	0.0	21.0	0.0	0.0	0.0	0.0	20.9	0.0	0.0	0.0	0.0	20.9
03/05/2013 01:00:00 PM	0.0	0.0	0.0	7.8	20.9	0.0	0.0	0.0	0.0	21.3	0.0	0.0	0.0	0.0	21.0	0.0	0.0	0.0	0.0	20.9	0.0	0.0	0.0	0.0	20.9
03/05/2013 02:00:00 PM	0.0	0.0	<1.0	7.7	20.9	0.0	0.0	0.0	0.0	21.4	0.0	0.0	0.0	0.0	20.9	0.0	0.0	0.0	0.0	20.9	0.0	0.0	0.0	0.0	20.9
03/05/2013 03:00:00 PM	0.0	0.0	0.0	7.6	20.9	0.0	0.0	0.0	0.0	21.4	0.0	0.0	0.0	0.0	21.1	0.0	0.0	0.0	0.0	20.9	0.0	0.0	0.0	0.0	21.0
03/05/2013 04:00:00 PM	0.0	0.0	<1.0	7.1	20.9	0.0	0.0	0.0	0.0	21.4	0.0	0.0	0.0	0.0	21.3	0.0	0.0	0.0	0.0	20.9	0.0	0.0	0.0	0.0	21.2
03/05/2013 05:00:00 PM	0.0	0.0	0.0	6.6	20.9	0.0	0.0	<1.0	0.0	21.4	0.0	0.0	0.0	0.0	21.3	0.0	0.0	0.0	0.0	20.9	0.0	0.0	0.0	0.0	21.2
03/05/2013 06:00:00 PM	0.0	0.0	0.0	6.0	20.9	0.0	0.0	0.0	0.0	21.3	0.0	0.0	0.0	0.0	21.2	<1.0	0.0	0.0	0.0	20.9	0.0	0.0	0.0	0.0	21.0
03/05/2013 07:00:00 PM	0.0	0.0	<1.0	5.4	20.9	0.0	0.0	0.0	0.0	21.2	0.0	0.0	0.0	0.0	21.2	<1.0	0.0	0.0	0.0	20.9	0.0	0.0	0.0	0.0	20.9
03/05/2013 08:00:00 PM	0.0	0.0	<1.0	5.0	20.9	0.0	0.0	0.0	0.0	21.0	0.0	0.0	0.0	0.0	21.1	<1.0	0.0	0.0	0.0	20.9	0.0	0.0	0.0	0.0	20.9
03/05/2013 09:00:00 PM	0.0	0.0	<1.0	4.7	20.9	0.0	0.0	0.0	0.0	20.9	0.0	0.0	0.0	0.0	21.2	1.4	0.0	0.0	0.0	20.9	0.0	0.0	0.0	0.0	20.9
03/05/2013 10:00:00 PM	0.0	0.0	<1.0	4.4	20.9	0.0	0.0	0.0	0.0	20.9	0.0	0.0	0.0	0.0	21.0	1.8	0.0	0.0	0.0	20.9	0.0	0.0	0.0	0.0	20.9
03/05/2013 11:00:00 PM	0.0	0.0	<1.0	4.0	20.9	0.0	0.0	0.0	0.0	20.9	0.0	0.0	0.0	0.0	20.9	2.1	0.0	0.0	0.0	20.9	0.0	0.0	0.0	0.0	20.9
03/06/2013 12:00:00 AM	0.0	0.0	<1.0	3.6	20.9	0.0	0.0	0.0	0.0	20.9	0.0	0.0	0.0	0.0	21.3	2.6	0.0	0.0	0.0	20.9	0.0	0.0	0.0	0.0	20.9
03/06/2013 01:00:00 AM	0.0	0.0	<1.0	3.0	20.9	0.0	0.0	0.0	0.0	20.9	0.0	0.0	0.0	0.0	21.1	2.9	0.0	0.0	0.0	20.9	0.0	0.0	0.0	0.0	20.9
03/06/2013 02:00:00 AM	0.0	0.0	<1.0	2.7	20.9	0.0	0.0	0.0	0.0	20.9	0.0	0.0	0.0	0.0	20.9	3.2	0.0	0.0	0.0	20.9	0.0	0.0	0.0	0.0	20.9
03/06/2013 03:00:00 AM	<1.0	0.0	<1.0	2.5	20.9	0.0	0.0	0.0	0.0	20.9	0.0	0.0	0.0	0.0	20.9	3.4	0.0	0.0	0.0	20.9	0.0	0.0	0.0	0.0	20.9
03/06/2013 04:00:00 AM	0.0	0.0	<1.0	2.3	20.9	0.0	0.0	0.0	0.0	20.7	0.0	0.0	0.0	0.0	20.9	3.5	0.0	0.0	0.0	20.9	0.0	0.0	0.0	0.0	20.9
03/06/2013 05:00:00 AM	0.0	0.0	<1.0	1.9	20.9	0.0	0.0	0.0	0.0	20.6	0.0	0.0	0.0	0.0	20.9	3.7	0.0	0.0	0.0	20.9	0.0	0.0	0.0	0.0	20.9

Notes: Beginning at 03:15 AM on 03/05/2013, RTU-4, located at RW-1, stopped collecting data due to a battery malfunction. RTU-1 was placed at RW-1 at 09:13 AM on 03/05/2013, and normal data collection resumed.

RESPEC Consulting & Services

Texas Brine, L.L.C. Assumption Parish, Louisiana Daily Field Report

Report By:David GnageCompany:RESPEC

Date: 3-5-13

Work Order #: ____()

Personnel	Company	Job Title

Time Onsite:Start Time:NAEnd Time:NA

Equipment Onsite:

Daily Activity: No Field Work Conducted. RESPEC not on-site.

Proposed Schedule: No onsite work scheduled at this time.

Initials: DJG

ME&A Daily Action Summary

March 5, 2013

Subsidence Survey:

• No Work Done

Sinkhole Perimeter/Hydrographic Survey:

• No Work Done

Support Sinkhole Cleanup

• No Work Done

Misc. Survey Work

• No Work Done

Michael Pisani & Associates

Texas Brine, L.L.C. Assumption Parish, Louisiana Daily Field Report

Report By: Company:	Patrick Ritchie MP&A				Date: Work Order #	3/5/2013 80-05	
Health and S	Safety Meeting	YES	N N	0			
Weather:	70 F Partly Cloudy, 0-5	mph wind E	ESE				
	Personnel		Company		Job Title		
Patrick Ritc	hie	MP&A			Environmental Scientist		
Site Acti	vities: Start Time	9:00	End Time	15:15			
Equipment	On-site: Airboat						
Daily Activ	itv•						
Conduct in-	situ monitoring surface w		and industrial	water we	ll locations		
	ter level for the industrial ratory samples from the in		er well location	ns			
	me of completion:						
On-going							
Proposed so	chedule:						
	situ monitoring surface w			water we	ll locations 3/8/2013		
	ter level for the industrial essure and water level at T			1/2013			
	ratory samples from the s				013		
Estimated ti	me of completion:						
On-going					T ',' 1	DMD	
					Initials:	PMR	