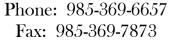


Texas Brine Company, LLC 1301 Highway 70

Belle Rose, LA 70341





April 19, 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.
- 2. 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.

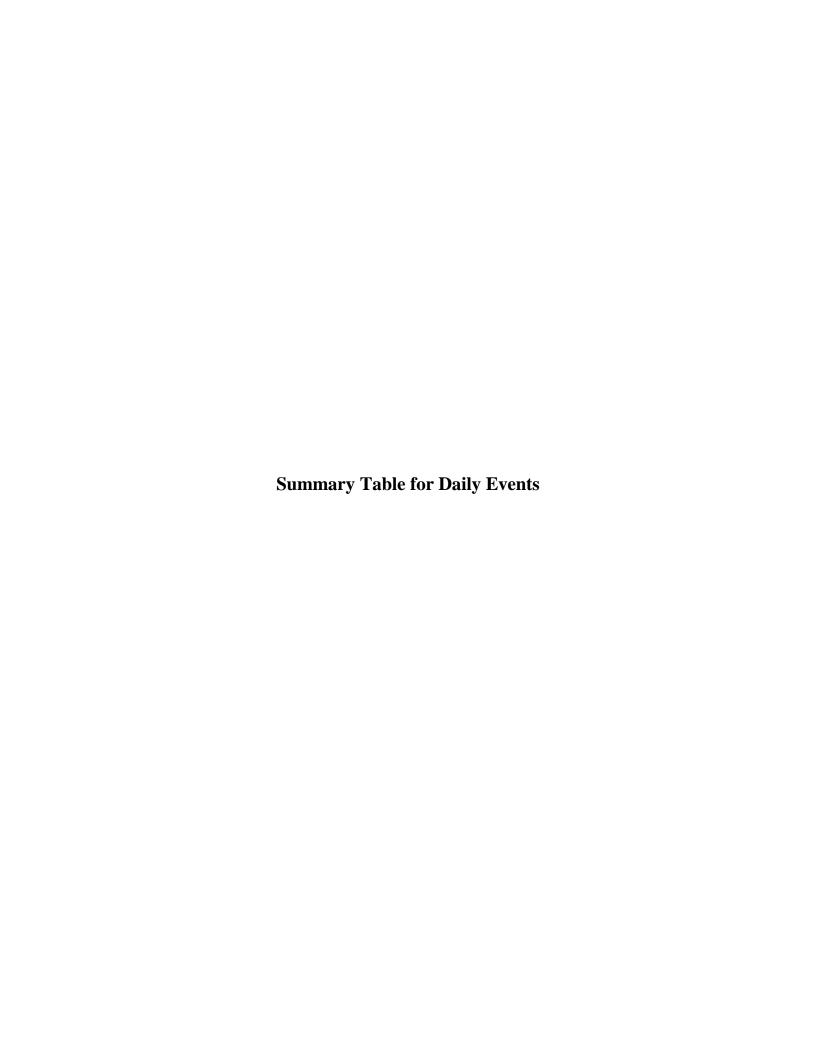
TBC believes that the submittal of this report satisfies the requirements of the Declaration of Emergency and Directive issued on September 25, 2012. As directed this report is submitted by email to <u>conservationorder@la.gov</u>, ref. "Emergency Declaration-Texas Brine Company LLC-9/25/2012.

Bruce E. Martin

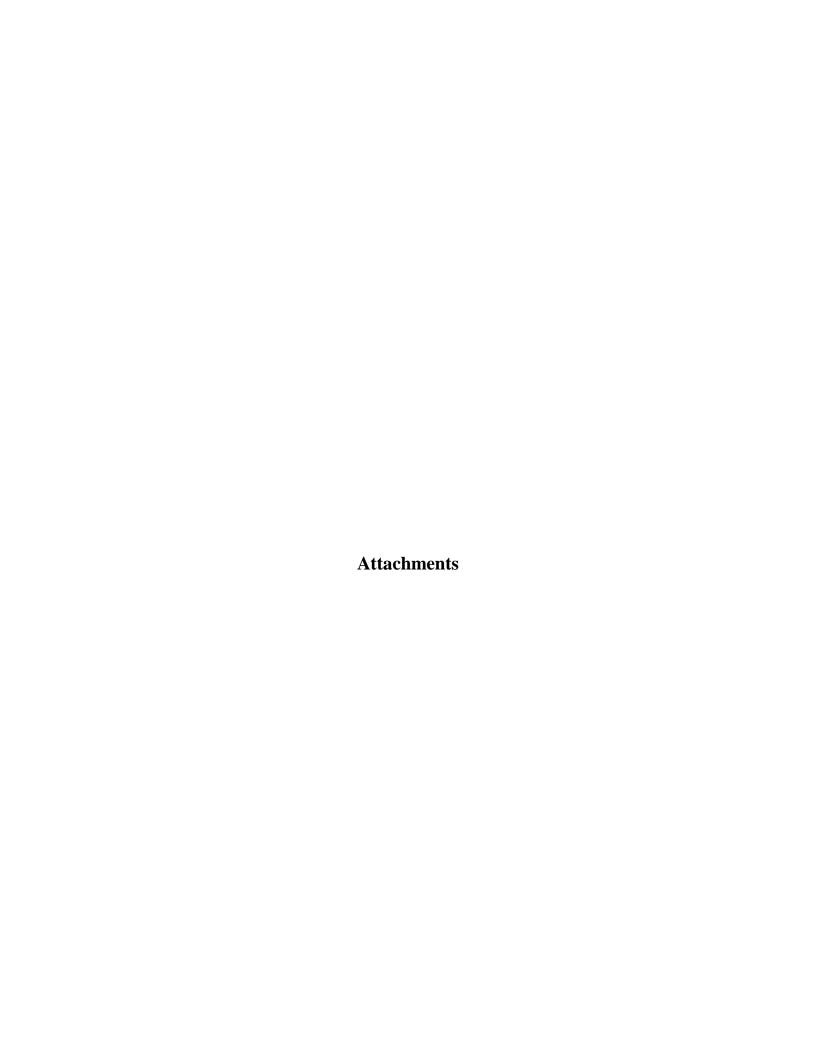
Vice President, Operations

Bana EMart

Texas Brine Company, LLC



			TBC Oxy Grand	d Bayou Data Managen	nent-	Environmental							
Contractor	Responsibilities	C	ollected By	Date Collected		Delivered to Lab Results from Lab		Laboratory	Method	Date to Agencies			
Sage	Stationary Air Monitoring		herjee - 08:02 - 09:15 V (Code Red) - 07:00 - 17:00	4/18/2013		NA	NA	NA	AreaRAE Monitors	4/19/2013			
	Residential Air Monitoring	suspend bin monitoring.	been requested to nonthly residential air . Therefore, Sage will ue these activities.	NA		NA	NA	NA	NA	NA			
	Gas Seep Sampling	No w	ork performed	4/18/2013		NA	NA	NA	NA	NA			
	Well Gas Sampling	No w	ork performed	4/18/2013		NA	NA	NA	NA	NA			
	Under Slab Gas Sampling	No w	ork performed	4/18/2013		NA	NA	NA	NA	NA			
	Indoor Air Monitoring	No w	ork performed	4/18/2013		NA	NA	NA	NA	NA			
Respec	Inclinometers/Tilt Meters	4/18/2013	No work conducted	No work conducted	NA	NA	NA	NA	NA	NA			
	InSAR Reflector Installations	4/18/2013	No work conducted	No work conducted NA		NA	NA		NA	NA			
	Subsidence Survey-Fenstermaker	4/18/2013	No work conducted	No work conducted NA		NA	NA		NA	NA			
	Shallow Geophone Installation	4/18/2013	No work conducted	No work conducted	NA	NA	NA		NA				
	Deep Geophone Installation	4/18/2013	No work conducted	No work conducted NA		NA	NA		NA	NA			
	Amendment #3, Directive #2		No work conducted	No work conducted NA		NA	NA		NA	NA			
	Expansion of geoprobe gas sampling locations	4/18/2013	No work conducted	P. Smith	NA	NA	NA		NA	NA			
Miller	Weekly Stability Survey		ork Performed	April 18, 2013		NA	NA	NA	NA	NA			
	Misc. Survey Work		ork Performed	April 18, 2013		NA	NA	NA	NA	NA			
	Sinkhole Hydro/Perimeter Survey	No W	/ork Performed	April 18, 2013		NA	NA	NA	NA	NA			
Pisani	Surface Water	1	NA	NA		NA	NA	NA	NA	NA			
	Industrial Well Water	1	NA	NA		NA NA	NA NA	NA	NA NA	NA			
	MRAAWell Water	1	NA	NA NA		NA NA	NA NA		NA NA	NA NA			
	Geoprobe Wells	_	NA	NA		NA	NA	NA	NA .	NA			
	<u> </u>			Grand Bayou Well 3	2 ^				<u> </u>				
	Daily Operations at 3A	1		Granu bayou Well :	JA	Summ	ary of Today's eve	ints					
	Daily Operations at SA	Summary of Today's events Oxy 3A											
	4/19/2013	7am 577.97 4/19/2013											
							Relief Well #1						
	4/19/2013	See ORW-01 Flare Spreadsheet											



Daily Action Summary

April 18, 2013

Stationary Air Monitoring

- Bijeet Mukherjee onsite from 08:02 to 09:15. Changed out the monitors between 08:36 and 09:05. Collected data from the monitoring database and forwarded to Jill Martin 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

• Sage has been requested to suspend bimonthly residential air monitoring. Therefore, Sage will discontinue these activities. The last event was conducted on March 26, 2013.

Gas Seep Sampling

Not Scheduled

Well Gas Sampling

• Not Scheduled

Under Slab Gas Sampling

• Not Scheduled

Air Indoor Monitoring

• Not Scheduled

*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 Pipelin	e Site		Middle-most Pipeline Site						North	-most Pipelin	e Site			On	Drill Rig Bo	om		Onsite Trailers					
			ST-3			ST-2					ST-1					OG 3A-1					TR-1					
		Non-					Non-					Non-					Non-					Non-				
		Methane					Methane					Methane					Methane					Methane		. !		
	CO (ppm)	VOC (ppm)	H2S (ppm)	LEL (%)	O2 (%)	CO (ppm)	VOC (ppm) I	H2S (ppm)	LEL (%)	O2 (%)	CO (ppm)	VOC (ppm)	H2S (ppm)	LEL (%)	O2 (%)	SO2 (ppm)	VOC (ppm)	H2S (ppm)	LEL (%)	O2 (%)	CO (ppm)	VOC (ppm)	H2S (ppm)	LEL (%)	O2 (%)	
04/18/2013 01:00:00 AM	0.0	0.0	0.0	0.0	20.9	0.0	0.0	<1.0	0.0	20.9	0.0	0.0	<1.0	0.0	20.9	0.0	0.0	<1.0	0.0	20.9	<1.0	0.0	<1.0	0.0	20.9	
04/18/2013 02:00:00 AM	0.0	0.0	0.0	0.0	20.9	0.0	0.0	<1.0	0.0	20.9	0.0	0.0	<1.0	0.0	20.9	0.0	0.0	<1.0	0.0	20.9	<1.0	0.0	<1.0	0.0	20.9	
04/18/2013 03:00:00 AM	0.0	0.0	0.0	0.0	20.9	0.0	0.0	<1.0	0.0	20.9	0.0	<1.0	<1.0	0.0	20.9	0.0	0.0	<1.0	0.0	20.9	<1.0	0.0	<1.0	0.0	20.9	
04/18/2013 04:00:00 AM	0.0	0.0	0.0	0.0	20.9	0.0	0.0	<1.0	0.0	20.9	0.0	0.0	<1.0	0.0	20.9	0.0	0.0	<1.0	0.0	20.9	<1.0	0.0	<1.0	0.0	20.9	
04/18/2013 05:00:00 AM	0.0	0.0	0.0	0.0	20.9	0.0	0.0	<1.0	0.0	20.9	0.0	0.0	<1.0	0.0	20.9	0.0	0.0	<1.0	0.0	20.9	<1.0	0.0	<1.0	0.0	20.9	
04/18/2013 06:00:00 AM	0.0	<1.0	0.0	0.0	20.9	0.0	0.0	<1.0	0.0	20.9	0.0	<1.0	<1.0	0.0	20.9	0.0	0.0	<1.0	0.0	20.9	<1.0	0.0	<1.0	0.0	20.9	
04/18/2013 07:00:00 AM	0.0	0.0	0.0	0.0	20.9	0.0	0.0	<1.0	0.0	20.9	0.0	<1.0	<1.0	0.0	20.9	0.0	0.0	<1.0	0.0	20.9	<1.0	0.0	<1.0	0.0	20.9	
04/18/2013 08:00:00 AM	<1.0	0.0	0.0	0.0	20.9	0.0	<1.0	<1.0	0.0	20.9	<1.0	<1.0	<1.0	0.0	20.9	0.0	0.0	<1.0	0.0	20.9	<1.0	0.0	<1.0	0.0	20.9	
04/18/2013 09:00:00 AM	0.0	0.0	0.0	0.0	20.9	0.0	0.0	0.0	0.0	20.9	<1.0	<1.0	<1.0	0.0	20.9	<1.0	<1.0	<1.0	0.0	20.9	<1.0	0.0	<1.0	0.0	20.9	
04/18/2013 10:00:00 AM	0.0	0.0	0.0	0.0	20.9	0.0	0.0	0.0	0.0	20.9	<1.0	<1.0	<1.0	0.0	20.9	<1.0	0.0	<1.0	0.0	20.9	0.0	0.0	<1.0	0.0	20.9	
04/18/2013 11:00:00 AM	0.0	0.0	0.0	0.0	20.9	0.0	0.0	0.0	0.0	20.9	<1.0	<1.0	<1.0	0.0	20.9	<1.0	0.0	<1.0	0.0	20.9	0.0	0.0	<1.0	0.0	20.9	
04/18/2013 12:00:00 PM	0.0	0.0	0.0	0.0	20.9	0.0	0.0	0.0	0.0	20.9	<1.0	<1.0	<1.0	0.0	20.9	<1.0	0.0	<1.0	0.0	20.9	0.0	0.0	<1.0	0.0	20.9	
04/18/2013 01:00:00 PM	0.0	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	<1.0	0.0	<1.0	0.0	20.9	0.0	0.0	<1.0	0.0	20.9	
04/18/2013 02:00:00 PM	0.0	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	<1.0	0.0	<1.0	0.0	20.9	0.0	0.0	<1.0	0.0	20.9	
04/18/2013 03:00:00 PM	0.0	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	<1.0	0.0	<1.0	0.0	20.9	0.0	0.0	<1.0	0.0	20.9	
04/18/2013 04:00:00 PM	0.0	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	<1.0	0.0	<1.0	0.0	20.9	0.0	0.0	<1.0	0.0	21.2	
04/18/2013 05:00:00 PM	0.0	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	<1.0	0.0	<1.0	0.0	20.9	0.0	0.0	<1.0	0.0	21.2	
04/18/2013 06:00:00 PM	0.0	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	<1.0	0.0	<1.0	0.0	20.9	0.0	0.0	<1.0	0.0	20.9	
04/18/2013 07:00:00 PM 04/18/2013 08:00:00 PM	0.0	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	<1.0	0.0	<1.0	0.0	20.9	0.0	0.0	<1.0	0.0	20.9	
0.0.20.20.00.00.00.00.00.00			0.0	0.0			0.0	0.0	0.0		<1.0	0.0	<1.0	0.0	20.9	<1.0	0.0	<1.0	0.0	20.9	0.10	0.00	<1.0	0.0		
04/18/2013 09:00:00 PM 04/18/2013 10:00:00 PM	0.0	0.0	0.0	0.0	20.9	0.0	0.0	0.0	0.0	20.9	<1.0 <1.0	0.0	<1.0 <1.0	0.0	20.9	<1.0 <1.0	0.0	<1.0 <1.0	0.0	20.9	0.0	0.0	<1.0	0.0	20.9	
04/18/2013 10:00:00 PM 04/18/2013 11:00:00 PM			0.0	0.0		0.0	0.0	0.0	0.0	20.9			<1.0	0.0		<1.0	<1.0			20.9	0.0	0.0			20.9	
0.0.20.20.00.00.00.00.00.00	0.0	0.0			20.9				0.0	20.9	<1.0	0.0		0.0	21.0			<1.0	0.0		0.0		<1.0	0.0		
04/19/2013 12:00:00 AM	0.0	0.0	0.0	0.0	20.9	0.0	0.0	0.0	0.0	20.7	<1.0	0.0	<1.0	0.0	21.2	<1.0	<1.0	<1.0	0.0	20.9	<1.0	0.0	<1.0	0.0	20.9	

Notes:

*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 Pipelii	ne Site		Middle-most Pipeline Site						North	n-most Pipelii	ne Site		1	On	Drill Rig Bo	om		Onsite Trailers						
			ST-3			ST-2						ST-1					OG 3A-1					TR-1					
		Non-					Non-					Non-					Non-					Non-					
		Methane					Methane					Methane					Methane					Methane					
	CO (ppm)	VOC (ppm)	H2S (ppm)	LEL (%)	O2 (%)	CO (ppm)	VOC (ppm)	H2S (ppm)	LEL (%)	O2 (%)	CO (ppm)	VOC (ppm)	H2S (ppm)	LEL (%)	O2 (%)	SO2 (ppm)	VOC (ppm)	H2S (ppm)	LEL (%)	O2 (%)	CO (ppm)	VOC (ppm)	H2S (ppm)	LEL (%)	O2 (%)		
04/18/2013 05:00:00 AM	0.0	0.0	0.0	0.0	20.9	0.0	0.0	<1.0	0.0	20.9	0.0	0.0	<1.0	0.0	20.9	0.0	0.0	<1.0	0.0	20.9	<1.0	0.0	<1.0	0.0	20.9		
04/18/2013 06:00:00 AM	0.0	<1.0	0.0	0.0	20.9	0.0	0.0	<1.0	0.0	20.9	0.0	<1.0	<1.0	0.0	20.9	0.0	0.0	<1.0	0.0	20.9	<1.0	0.0	<1.0	0.0	20.9		
04/18/2013 07:00:00 AM	0.0	0.0	0.0	0.0	20.9	0.0	0.0	<1.0	0.0	20.9	0.0	<1.0	<1.0	0.0	20.9	0.0	0.0	<1.0	0.0	20.9	<1.0	0.0	<1.0	0.0	20.9		
04/18/2013 08:00:00 AM	<1.0	0.0	0.0	0.0	20.9	0.0	<1.0	<1.0	0.0	20.9	<1.0	<1.0	<1.0	0.0	20.9	0.0	0.0	<1.0	0.0	20.9	<1.0	0.0	<1.0	0.0	20.9		
04/18/2013 09:00:00 AM	0.0	0.0	0.0	0.0	20.9	0.0	0.0	0.0	0.0	20.9	<1.0	<1.0	<1.0	0.0	20.9	<1.0	<1.0	<1.0	0.0	20.9	<1.0	0.0	<1.0	0.0	20.9		
04/18/2013 10:00:00 AM	0.0	0.0	0.0	0.0	20.9	0.0	0.0	0.0	0.0	20.9	<1.0	<1.0	<1.0	0.0	20.9	<1.0	0.0	<1.0	0.0	20.9	0.0	0.0	<1.0	0.0	20.9		
04/18/2013 11:00:00 AM	0.0	0.0	0.0	0.0	20.9	0.0	0.0	0.0	0.0	20.9	<1.0	<1.0	<1.0	0.0	20.9	<1.0	0.0	<1.0	0.0	20.9	0.0	0.0	<1.0	0.0	20.9		
04/18/2013 12:00:00 PM	0.0	0.0	0.0	0.0	20.9	0.0	0.0	0.0	0.0	20.9	<1.0	<1.0	<1.0	0.0	20.9	<1.0	0.0	<1.0	0.0	20.9	0.0	0.0	<1.0	0.0	20.9		
04/18/2013 01:00:00 PM	0.0	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	<1.0	0.0	<1.0	0.0	20.9	0.0	0.0	<1.0	0.0	20.9		
04/18/2013 02:00:00 PM	0.0	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	<1.0	0.0	<1.0	0.0	20.9	0.0	0.0	<1.0	0.0	20.9		
04/18/2013 03:00:00 PM	0.0	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	<1.0	0.0	<1.0	0.0	20.9	0.0	0.0	<1.0	0.0	20.9		
04/18/2013 04:00:00 PM	0.0	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	<1.0	0.0	<1.0	0.0	20.9	0.0	0.0	<1.0	0.0	21.2		
04/18/2013 05:00:00 PM	0.0	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	<1.0	0.0	<1.0	0.0	20.9	0.0	0.0	<1.0	0.0	21.2		
04/18/2013 06:00:00 PM	0.0	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	<1.0	0.0	<1.0	0.0	20.9	0.0	0.0	<1.0	0.0	20.9		
04/18/2013 07:00:00 PM	0.0	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	<1.0	0.0	<1.0	0.0	20.9	0.0	0.0	<1.0	0.0	20.9		
04/18/2013 08:00:00 PM	0.0	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	<1.0	0.0	<1.0	0.0	20.9	0.0	0.0	<1.0	0.0	20.9		
04/18/2013 09:00:00 PM	0.0	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	<1.0	0.0	<1.0	0.0	20.9	0.0	0.0	<1.0	0.0	20.9		
04/18/2013 10:00:00 PM	0.0	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	<1.0	0.0	<1.0	0.0	20.9	0.0	0.0	<1.0	0.0	20.9		
04/18/2013 11:00:00 PM	0.0	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	21.0	<1.0	<1.0	<1.0	0.0	20.9	0.0	0.0	<1.0	0.0	21.2		
04/19/2013 12:00:00 AM	0.0	0.0	0.0	0.0	20.9	0.0	0.0	0.0	0.0	20.7	<1.0	0.0	<1.0	0.0	21.2	<1.0	<1.0	<1.0	0.0	20.9	<1.0	0.0	<1.0	0.0	20.9		
04/19/2013 01:00:00 AM	0.0	0.0	0.0	0.0	20.9	0.0	0.0	0.0	0.0	20.5	<1.0	0.0	<1.0	0.0	20.9	<1.0	<1.0	<1.0	0.0	20.9	<1.0	0.0	<1.0	0.0	20.9		
04/19/2013 02:00:00 AM	0.0	0.0	0.0	0.0		0.0	0.0	0.0	0.0	20.4	<1.0	0.0	<1.0	0.0	20.9	<1.0	<1.0	<1.0	0.0	20.9	<1.0	0.0	1.0	<1.0	20.9		
04/19/2013 03:00:00 AM	0.0	0.0	0.0	0.0	20.9	0.0	0.0	0.0	0.0	20.4	<1.0	0.0	<1.0	0.0	20.9	<1.0	<1.0	0.0	0.0	20.9	<1.0	0.0	1.1	3.1	20.9		
04/19/2013 04:00:00 AM	0.0	0.0	0.0	0.0	20.9	0.0	0.0	0.0	0.0	20.4	<1.0	0.0	<1.0	0.0	20.9	<1.0	<1.0	<1.0	0.0	20.9	<1.0	0.0	1.0	3.3	20.6		
04/19/2013 05:00:00 AM	0.0	0.0	0.0	0.0	20.9	0.0	0.0	0.0	0.0	20.3	<1.0	0.0	<1.0	0.0	20.9	<1.0	<1.0	<1.0	0.0	20.9	<1.0	0.0	1.1	3.7	20.6		

Notes:

RESPEC Consulting & Services

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

Report By: David	d Gnage		Date: 4-18-13							
Company: RESP	PEC	,	Work Order #:()							
Personnel		Company	Job Title							
Time Onsite:	Start Tim	e <u>: NA</u> End Time <u>:</u>	NA							
Equipment Onsite :										
Daily Activity:	No Field Work Conducted. RESPEC not on-site.									
Proposed Schedule:	Dr. Leo Van Sambeek will be making a site visit on April 25 th & 26 th . Dr. Van Sambeek will be on-site to review the subsidence monitoring network in-situ.									
			Initials: DJG							

ME&A Daily Action Summary

April 18, 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