



Texas Brine Company, LLC

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Belle Rose, LA 70341
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July 16, 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 (TBC) 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 conservationorder@la.gov, ref. "Emergency Declaration-Texas Brine Company LLC-9/25/2012.



Bruce E. Martin

Vice President, Operations

Texas Brine Company, LLC

Summary Table for Daily Events

TBC Oxy Grand Bayou Data Management-Environmental										
Contractor	Responsibilities	Collected By		Date Collected		Delivered to Lab	Results from Lab	Laboratory	Method	Date to Agencies
Sage	Stationary Air Monitoring	Eric Rucinski - 07:45 - 9:00 Darlene McManus (Code Red) - 07:00 - 17:00		7/15/2013		NA	NA	NA	AreaRAE Monitors	7/16/2013
	Residential Air Monitoring	Sage has been requested to suspend bimonthly residential air monitoring. Therefore, Sage will discontinue these activities.		NA		NA	NA	NA	NA	NA
	Gas Seep Sampling	No work performed		7/15/2013		NA	NA	NA	NA	NA
	Well Gas Sampling	No work performed		7/15/2013		NA	NA	NA	NA	NA
	Under Slab Gas Sampling	No work performed		7/15/2013		NA	NA	NA	NA	NA
	Indoor Air Monitoring	No work performed		7/15/2013		NA	NA	NA	NA	NA
Respec	Inclinometers/Tilt Meters	7/15/2013	NA	NA	NA	NA	NA	NA	NA	NA
	InSAR Reflector Installations	7/15/2013	NA	NA	NA	NA	NA	NA	NA	NA
	Subsidence Survey-Fenstermaker	7/15/2013	NA	NA	NA	NA	NA	NA	NA	NA
	Shallow Geophone Installation	7/15/2013	NA	NA	NA	NA	NA	NA	NA	NA
	Deep Geophone Installation	7/15/2013	NA	NA	NA	NA	NA	NA	NA	NA
	Amendment #3, Directive #2	7/15/2013	NA	NA	NA	NA	NA	NA	NA	NA
	Expansion of geoprobe gas sampling locations	7/15/2013	NA	NA	NA	NA	NA	NA	NA	NA
	Weekly Stability Survey	No Work Performed		July 15, 2013		NA	NA	NA	NA	NA
Misc. Survey Work	Kevin Pichoff		July 15, 2013		NA	NA	NA	NA	NA	
Sinkhole Hydro/Perimeter Survey	Herschel Sauce		July 15, 2013		NA	NA	NA	NA	NA	
Pisani	Surface Water	NA		July 15, 2013		NA	NA	NA	NA	NA
	Industrial Well Water	NA		July 15, 2013		NA	NA	NA	NA	NA
	MRAA Well Water	NA		July 15, 2013		NA	NA	NA	NA	NA
	GP/ORW Water	NA		July 15, 2013		NA	NA	NA	NA	NA
	Cavern Brine	NA		July 15, 2013		NA	NA	NA	NA	NA
	Geoprobe Wells	NA		July 15, 2013		NA	NA	NA	NA	NA
Grand Bayou Well 3A										
Daily Operations at 3A		Summary of Today's events								
		Oxy 3A								
7/16/2013		7am	601.88	7/16/2013						
7/16/2013		Relief Well #1								
		See ORW-01 Flare Spreadsheet								

Attachments

Daily Action Summary

July 15, 2013

Stationary Air Monitoring

- Eric Rucinski onsite from 07:45 to 9:00. Changed out the monitors between 08:08 and 08:39. Collected data from the monitoring database and forwarded to Marshall Heltz in the Baton Rouge office for processing.
- Darlene McManus 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

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)

Date-Time *	South-most Pipeline Site					Middle-most Pipeline Site					North-most Pipeline Site					South of OG3A-1					Onsite Trailers				
	ST-3					ST-2b					ST-1					Pad #9					TR-1				
	CO (ppm)	Non-Methane VOC (ppm)	H2S (ppm)	LEL (%)	O2 (%)	CO (ppm)	Non-Methane VOC (ppm)	H2S (ppm)	LEL (%)	O2 (%)	CO (ppm)	Non-Methane VOC (ppm)	H2S (ppm)	LEL (%)	O2 (%)	SO2 (ppm)	Non-Methane VOC (ppm)	H2S (ppm)	LEL (%)	O2 (%)	CO (ppm)	Non-Methane VOC (ppm)	H2S (ppm)	LEL (%)	O2 (%)
07/15/2013 01:00:00 AM	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	21.6					
07/15/2013 02:00:00 AM	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	21.6					
07/15/2013 03:00:00 AM	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	21.5					
07/15/2013 04:00:00 AM	0.0	0.0	0.0	0.0	20.9	0.0	<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	21.5					
07/15/2013 05:00:00 AM	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	21.5					
07/15/2013 06:00:00 AM	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	21.5					
07/15/2013 07:00:00 AM	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	21.4					
07/15/2013 08:00:00 AM	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	<1.0	<1.0	0.0	0.0	20.9	0.0	0.0	0.0	0.0	20.9
07/15/2013 09:00:00 AM	0.0	0.0	0.0	0.0	21.1	0.0	<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
07/15/2013 10:00:00 AM	0.0	0.0	0.0	0.0	21.3	0.0	<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
07/15/2013 11:00:00 AM	0.0	<1.0	0.0	0.0	21.4	0.0	<1.0	0.0	<1.0	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
07/15/2013 12:00:00 PM	0.0	0.0	0.0	0.0	21.3	0.0	<1.0	0.0	2.6	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
07/15/2013 01:00:00 PM	0.0	0.0	0.0	0.0	21.3	0.0	<1.0	0.0	2.8	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
07/15/2013 02:00:00 PM	0.0	0.0	0.0	0.0	21.2	0.0	<1.0	0.0	1.6	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
07/15/2013 03:00:00 PM	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	20.9	0.0	0.0	0.0	0.0	20.9	0.0	0.0	0.0	0.0	20.9
07/15/2013 04:00:00 PM	0.0	0.0	0.0	0.0	21.3	0.0	<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
07/15/2013 05:00:00 PM	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	20.9	0.0	0.0	0.0	0.0	20.9	0.0	0.0	0.0	0.0	20.9
07/15/2013 06:00:00 PM	0.0	0.0	0.0	0.0	21.3	0.0	0.0	0.0	1.9	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
07/15/2013 07:00:00 PM	0.0	0.0	0.0	0.0	21.3	0.0	0.0	0.0	2.8	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
07/15/2013 08:00:00 PM	0.0	0.0	0.0	0.0	21.2	0.0	<1.0	0.0	2.8	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
07/15/2013 09:00:00 PM	0.0	0.0	0.0	0.0	21.2	0.0	<1.0	0.0	2.8	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
07/15/2013 10:00:00 PM	0.0	0.0	0.0	0.0	21.2	0.0	<1.0	0.0	2.9	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
07/15/2013 11:00:00 PM	0.0	0.0	0.0	0.0	21.2	0.0	<1.0	0.0	3.0	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
07/16/2013 12:00:00 AM	0.0	0.0	0.0	0.0	21.2	0.0	0.0	0.0	3.0	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

Notes:
RTU-7, located at TR-1, experienced a battery malfunction beginning at 11:45 pm on 7/14/2013 causing downtime. RTU-9 replaced RTU-7 at 8:08 am on 7/15/2013, and normal data collection resumed.
RTU-3, located at ST-2b, began recording elevated LEL readings at approximately 11:39 am on 7/15/2013. RTU-5 replaced RTU-3 at 8:27 am on 7/16/2013 and readings returned to normal. RTU-3 will be inspected by the onsite technician and serviced as necessary before being redeployed.

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)

Date-Time *	South-most Pipeline Site					Middle-most Pipeline Site					North-most Pipeline Site					South of OG3A-1					Onsite Trailers				
	ST-3					ST-2b					ST-1					Pad #9					TR-1				
	CO (ppm)	Non-Methane VOC (ppm)	H2S (ppm)	LEL (%)	O2 (%)	CO (ppm)	Non-Methane VOC (ppm)	H2S (ppm)	LEL (%)	O2 (%)	CO (ppm)	Non-Methane VOC (ppm)	H2S (ppm)	LEL (%)	O2 (%)	SO2 (ppm)	Non-Methane VOC (ppm)	H2S (ppm)	LEL (%)	O2 (%)	CO (ppm)	Non-Methane VOC (ppm)	H2S (ppm)	LEL (%)	O2 (%)
07/15/2013 05:00:00 AM	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	21.5	Downtime due to battery malfunction				
07/15/2013 06:00:00 AM	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	21.5	Downtime due to battery malfunction				
07/15/2013 07:00:00 AM	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	21.4	Downtime due to battery malfunction				
07/15/2013 08:00:00 AM	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	<1.0	<1.0	0.0	0.0	20.9	0.0	0.0	0.0	0.0	20.9
07/15/2013 09:00:00 AM	0.0	0.0	0.0	0.0	21.1	0.0	<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
07/15/2013 10:00:00 AM	0.0	0.0	0.0	0.0	21.3	0.0	<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
07/15/2013 11:00:00 AM	0.0	<1.0	0.0	0.0	21.4	0.0	<1.0	0.0	<1.0	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
07/15/2013 12:00:00 PM	0.0	0.0	0.0	0.0	21.3	0.0	<1.0	0.0	2.6	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
07/15/2013 01:00:00 PM	0.0	0.0	0.0	0.0	21.3	0.0	<1.0	0.0	2.8	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
07/15/2013 02:00:00 PM	0.0	0.0	0.0	0.0	21.2	0.0	<1.0	0.0	1.6	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
07/15/2013 03:00:00 PM	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	20.9	0.0	0.0	0.0	0.0	20.9	0.0	0.0	0.0	0.0	20.9
07/15/2013 04:00:00 PM	0.0	0.0	0.0	0.0	21.3	0.0	<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
07/15/2013 05:00:00 PM	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	20.9	0.0	0.0	0.0	0.0	20.9	0.0	0.0	0.0	0.0	20.9
07/15/2013 06:00:00 PM	0.0	0.0	0.0	0.0	21.3	0.0	0.0	0.0	1.9	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
07/15/2013 07:00:00 PM	0.0	0.0	0.0	0.0	21.3	0.0	0.0	0.0	2.8	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
07/15/2013 08:00:00 PM	0.0	0.0	0.0	0.0	21.2	0.0	<1.0	0.0	2.8	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
07/15/2013 09:00:00 PM	0.0	0.0	0.0	0.0	21.2	0.0	<1.0	0.0	2.8	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
07/15/2013 10:00:00 PM	0.0	0.0	0.0	0.0	21.2	0.0	<1.0	0.0	2.9	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
07/15/2013 11:00:00 PM	0.0	0.0	0.0	0.0	21.2	0.0	<1.0	0.0	3.0	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
07/16/2013 12:00:00 AM	0.0	0.0	0.0	0.0	21.2	0.0	0.0	0.0	3.0	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
07/16/2013 01:00:00 AM	0.0	0.0	0.0	0.0	21.2	0.0	0.0	0.0	3.0	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
07/16/2013 02:00:00 AM	0.0	0.0	0.0	0.0	21.2	0.0	<1.0	0.0	3.1	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
07/16/2013 03:00:00 AM	0.0	0.0	0.0	0.0	21.2	0.0	<1.0	0.0	3.1	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
07/16/2013 04:00:00 AM	0.0	<1.0	0.0	0.0	21.2	0.0	<1.0	0.0	3.0	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
07/16/2013 05:00:00 AM	0.0	0.0	0.0	0.0	21.2	0.0	<1.0	0.0	3.0	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

Notes:

RTU-7, located at TR-1, experienced a battery malfunction beginning at 11:45 pm on 7/14/2013 causing downtime. RTU-9 replaced RTU-7 at 8:08 am on 7/15/2013, and normal data collection resumed.

RTU-3, located at ST-2b, began recording elevated LEL readings at approximately 11:39 am on 7/15/2013. RTU-5 replaced RTU-3 at 8:27 am on 7/16/2013 and readings returned to normal. RTU-3 will be inspected by the onsite technician and serviced as necessary before being redeployed.

ME&A Daily Action Summary

July 15, 2013

Subsidence Survey:

- No Work Done

Sinkhole Perimeter/Hydrographic Survey:

- Arrive @ 8:30 am
- Sinkhole perimeter subsidence survey. Verify sinkhole depth via wireline in various locations.

Support Sinkhole Cleanup

- No Work Done

Misc. Survey Work

- Subsidence survey of various relief and monitoring wells adjacent to containment berm. Survey installed ORW wells to obtain X,Y, & Z coordinates.
- Depart @ 4:30 pm

Michael Pisani & Associates

Texas Brine, L.L.C.

Assumption Parish, Louisiana

Daily Field Report

Report By: Jody Shugart

Company: MP&A

Date: 7/15/2013

Work Order # 80-05

Health and Safety Meeting YES NO

Weather: 89 F Mostly Cloudy

<u>Personnel</u>	<u>Company</u>	<u>Job Title</u>
<u>Jody Shugart</u>	<u>MP&A</u>	<u>Environmental Scientist</u>

Site Activities: Start Time 9:00 End Time 12:00

Equipment On-site: Gas meters

Daily Activity:
Record well vault and well readings with air quality monitoring equipment. Record depth to water and pressure of wells.

Estimated time of completion:
On-going

Proposed schedule:
Conduct in-situ monitoring of industrial water wells
Measure water level for the industrial water wells and MRAA wells
Measure pressure and water level at TBC Geoprobe locations
Collect laboratory samples from the industrial water wells
Observe, video, measure bubble sites

Estimated time of completion:
On-going

Initials: JCS