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GOVERNOR

State of Louisiana
DEPARTMENT OF NATURAL RESOURCES
OFFICE OF CONSERVATION

STEPHEN CHUSTZ
INTERIM SECRETARY
JAMES H. WELSH
COMMISSIONER OF CONSERVATION

**SECOND AMENDMENT TO DECLARATION OF EMERGENCY
AND DIRECTIVE**

Pursuant to the authority granted to the Commissioner of Conservation and Assistant Secretary of the Louisiana Department of Natural Resources under La. R.S. 30:1, et seq., particularly La. R.S. 30:6.1;

It is hereby declared that in continuance of its response to the emergency subsidence incident covered by the emergency declaration and amended emergency declaration dated August 3, 2012 and August 9, 2012 respectively, Texas Brine Company LLC (T149) shall be required to provide timely reports and updates to the Office of Conservation on test and logs run on the observation well drilled into the cavern associated with OXY GEISMAR NO. 3 well site (Serial Number 180708) and to further allow for split sampling and concurrent review by the Office of Conservation of these tests and logs.

It is further declared that Texas Brine Company LLC (T149) is specifically directed and ordered to perform all of the following within the deadlines stated below:

- 1) To provide immediately to the Office of Conservation the results of any scientific studies, testing or data collection, which suggests that damage to the cavern associated with the OXY GEISMAR NO. 3 (Serial Number 180708) and the OXY GEISMAR NO. 3A (Serial Number 974265) (referred to hereinafter as the "Cavern") was caused by an external source.
- 2) To provide immediately any data that suggests that the damage to the Cavern was caused by regional-scale seismic activity.
- 3) To provide immediately any data to demonstrate that seismic events have occurred thousands of feet below the Cavern.
- 4) To provide all daily logs and field notes from TEXAS BRINE COMPANY LLC (T149) or any of its contractors associated with its investigation into the subsidence and natural gas bubbling events in the Napoleonville Salt Dome and Bayou Corne areas.
- 5) Beginning immediately, the Office of Conservation shall be provided the opportunity to split samples of any material collected from the OXY GEISMAR NO. 3A (Serial Number 974265), the Cavern, other wells, facilities or site locations and to concurrently review any logs or other tests run in that well, the Cavern, other wells, facilities or site locations.
- 6) Immediately report to the Office of Conservation the results – including any preliminary results – of any tests, logs, samples, or data collection performed on the OXY GEISMAR NO. 3A (Serial Number 974265), the cavern, other wells, facilities


TEXAS BRINE COMPANY LLC (T149)

- or site locations that indicate a change in any previously known conditions pertinent to the investigation of the subsidence or natural gas bubbling events and to continue to report to the Office of Conservation any such results of tests, logs, samples, or data collection going forward.
- 7) By the end of today, September 25, 2012, and going forward, provide to the Office of Conservation a daily summary of all tests or logs performed or samples taken from the OXY GEISMAR NO. 3A (Serial Number 974265) and the cavern, as well as any results of those tests or logs, including preliminary results.

It is further declared that, consistent with La. R.S. 30:6.1.B, if Texas Brine Company LLC (T149) fails to begin the actions listed above within the deadlines set forth, orders demanding compliance and civil penalties may be issued to Texas Brine Company LLC (T149) R.S. 30:1, et seq.

It is further declared that for purposes of this Declaration of Emergency and Directive the required reports and updates to the Office of Conservation shall be provided by e-mail to conservationorder@la.gov. Please reference "Emergency Declaration – Texas Brine Company LLC – 9/25/2012" on any correspondence.

SO DECLARED, ORDERED, AND DONE this 25th day of September 2012 at Baton Rouge, Louisiana.



JAMES H. WELSH
COMMISSIONER OF CONSERVATION