



Texas Brine Company, LLC

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January 15, 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	Bijeet Mukherjee - 08:05 - 09:20 Ricky Provost (Code Red) - 07:00 - 17:00	1/14/2013	No	No	No	AreaRAE Monitors	1/15/2013			
	Residential Air Monitoring	No work performed	1/14/2013	NA	NA	NA	NA	NA			
	Gas Seep Sampling	No work performed	1/14/2013	NA	NA	NA	NA	NA			
	Well Gas Sampling	No work performed	1/14/2013	NA	NA	NA	NA	NA			
	Indoor Air Monitoring	No work performed	1/14/2013	NA	NA	NA	NA	NA			
Respec	Inclinometers/Tilt Meters	No work performed	1/14/2013	NA	NA	NA	NA	NA			
	InSAR Reflector Installations	No work performed	1/14/2013	NA	NA	NA	NA	NA			
	Geophone Installation	No work performed	1/14/2013	NA	NA	NA	NA	NA			
	Amendment #3, Directive #1	No work performed	1/14/2013	NA	NA	NA	NA	NA			
Miller	Weekly Stability Survey	No work performed	1/14/2013	NA	NA	NA	NA	NA			
	Misc. Survey Work	No work performed	1/14/2013	NA	NA	NA	NA	NA			
	Sinkhole Hydro/Perimeter Survey	No work performed	1/14/2013	NA	NA	NA	NA	NA			
Pisani	Surface Water	No work performed	1/14/2013	NA	NA	NA	NA	NA			
	Well Water	No work performed	1/14/2013	NA	NA	NA	NA	NA			
	Geoprobe Wells	No work performed	1/14/2013	NA	NA	NA	NA	NA			
Grand Bayou Well 3A											
Daily Operations at 3A		<u>Summary of Today's events</u>									
OXY Well 3A											
No well activity today. Monitoring pressures											
Relief Well 1											
14-Jan-13		1/13-14/2013	7:00 AM	7:00 AM	24.00	.500"	99.90	2397.63	2397.63	.49psi	Metered CFM
		1/14-15/2013	7:00 AM	7:00 AM	24.00	.500"	1.13	27.01	2424.64	.52psi	Metered CFM

Daily Action Summary

January 14, 2013

Stationary Air Monitoring

- Bijet Mukherjee onsite from 08:05 to 09:20. Changed out the monitors between 08:33 and 09:07. Collected data from the monitoring database and forwarded to Eric Rucinski in the Baton Rouge office for processing.
- Ricky Provost 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)

Date-Time *	South-most Pipeline Site					Middle-most Pipeline Site					North-most Pipeline Site					On Drill Rig Boom				Relief Well					
	AM-3					AM-2					AM-1					OG 3A-1				RW-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 (%)
01/14/2013 01:00:00 AM	<1.0	0.0	0.0	0.0	21.4	0.0	0.0	<1.0	0.0	20.6	0.0	<1.0	0.0	0.0	20.9	0.0	0.0	0.0	0.0	20.9	0.0	0.0	<1.0	0.0	20.9
01/14/2013 02:00:00 AM	<1.0	0.0	0.0	0.0	21.4	0.0	0.0	<1.0	0.0	20.6	0.0	<1.0	0.0	0.0	20.9	0.0	0.0	0.0	0.0	20.9	0.0	0.0	<1.0	0.0	20.9
01/14/2013 03:00:00 AM	<1.0	0.0	0.0	0.0	21.3	0.0	0.0	<1.0	0.0	20.5	0.0	<1.0	0.0	0.0	20.9	0.0	0.0	0.0	0.0	20.9	0.0	0.0	<1.0	0.0	20.9
01/14/2013 04:00:00 AM	<1.0	0.0	0.0	0.0	21.3	0.0	0.0	<1.0	0.0	20.5	0.0	<1.0	0.0	0.0	20.9	0.0	0.0	0.0	0.0	20.9	0.0	0.0	<1.0	0.0	20.9
01/14/2013 05:00:00 AM	<1.0	0.0	0.0	0.0	21.3	0.0	0.0	<1.0	0.0	20.5	0.0	<1.0	0.0	0.0	20.9	0.0	0.0	0.0	0.0	20.9	0.0	0.0	<1.0	0.0	20.9
01/14/2013 06:00:00 AM	<1.0	0.0	0.0	0.0	21.3	0.0	0.0	<1.0	0.0	20.5	0.0	<1.0	0.0	0.0	20.9	0.0	0.0	0.0	0.0	20.9	0.0	0.0	<1.0	0.0	20.9
01/14/2013 07:00:00 AM	<1.0	0.0	0.0	0.0	21.3	0.0	0.0	<1.0	0.0	20.5	0.0	<1.0	0.0	0.0	20.9	0.0	0.0	0.0	0.0	20.9	0.0	0.0	<1.0	0.0	20.8
01/14/2013 08:00:00 AM	<1.0	<1.0	<1.0	0.0	21.1	0.0	0.0	<1.0	0.0	20.7	<1.0	<1.0	0.0	0.0	20.9	0.0	0.0	0.0	0.0	20.9	0.0	0.0	<1.0	0.0	20.9
01/14/2013 09:00:00 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
01/14/2013 10:00:00 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
01/14/2013 11:00:00 AM	<1.0	<1.0	<1.0	0.0	20.9	0.0	<1.0	0.0	0.0	20.9	0.0	0.0	0.0	0.0	20.9	<1.0	0.0	<1.0	1.2	20.9	0.0	0.0	0.0	0.0	20.9
01/14/2013 12:00:00 PM	<1.0	<1.0	<1.0	0.0	20.9	0.0	0.0	0.0	0.0	20.9	<1.0	0.0	0.0	0.0	20.9	0.0	0.0	0.0	1.5	20.9	0.0	0.0	0.0	0.0	20.9
01/14/2013 01:00:00 PM	<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	1.5	20.9	0.0	0.0	0.0	0.0	20.9
01/14/2013 02:00:00 PM	<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	<1.0	1.8	20.9	0.0	0.0	0.0	0.0	20.9
01/14/2013 03:00:00 PM	<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	1.9	20.9	0.0	0.0	0.0	0.0	20.9
01/14/2013 04:00:00 PM	<1.0	<1.0	<1.0	0.0	20.9	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	2.1	20.9	0.0	0.0	0.0	0.0	20.9
01/14/2013 05:00:00 PM	<1.0	<1.0	<1.0	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	2.3	20.9	0.0	0.0	0.0	0.0	20.9
01/14/2013 06:00:00 PM	<1.0	<1.0	<1.0	0.0	20.9	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	2.4	20.9	0.0	0.0	0.0	0.0	20.9
01/14/2013 07:00:00 PM	<1.0	<1.0	<1.0	0.0	20.9	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	2.4	20.9	0.0	0.0	0.0	0.0	20.9
01/14/2013 08:00:00 PM	<1.0	<1.0	<1.0	0.0	20.9	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	2.4	20.9	0.0	0.0	0.0	0.0	20.9
01/14/2013 09:00:00 PM	<1.0	<1.0	<1.0	0.0	20.9	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	2.4	20.9	0.0	0.0	0.0	0.0	20.9
01/14/2013 10:00:00 PM	<1.0	<1.0	<1.0	0.0	20.9	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	2.4	20.9	0.0	0.0	0.0	0.0	20.9
01/14/2013 11:00:00 PM	<1.0	<1.0	<1.0	0.0	20.9	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	2.4	20.9	0.0	0.0	0.0	0.0	20.9
01/15/2013 12:00:00 AM	<1.0	<1.0	<1.0	0.0	20.9	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	2.4	20.9	0.0	0.0	0.0	0.0	20.9

Notes:

AM-2: At 9:31 on 1/14/2013 RTU-5 recorded a negative O2 reading. Since this outside of the expected O2 range, this data point was removed from the summary. O2 readings returned to normal following the invalid point.

RESPEC Consulting & Services

Texas Brine, L.L.C.

Assumption Parish, Louisiana

Daily Field Report

Report By: Eric Krantz

Date: 01-14-2013

Company: RESPEC

Work Order #: 0

Personnel	Company	Job Title
Eric Krantz	RESPEC	Engineer

Time On Site: Start Time: 0830 End Time: 1530

Weather: Partly cloudy, rainy, high ~50 F.

Equipment: Handtools

Daily Activity: Safety meeting. Check Atlas data and draft report and charts for 2013-01-13 event; Install 60W solar panel and frame at IPI-3; install and troubleshoot 6A solar controller at IPI-3; replace 7.2Ahr battery at Pad 3 tiltmeter w/ 13Ahr battery; install ground rod and connector at TBC-LA-11, 12, 13, and 14; configure Atlas; check cell modem and data from modem reposition; coordinate modem relocation with Suszek; coordinate w/ Gary Hill (Walker-Hill Drilling); meet and discuss w/ Dario (Nanometrics).

Proposed Schedule: Drilling oversight for TBC-LA-15 and TBC-LA-16 (CrossTex Geophone wells) when site access permission is granted.

Initials: ELK

ME&A Daily Action Summary

January 14, 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: Patrick Ritchie

Date: 1/14/2013

Company: MP&A

Work Order # 80-05

Health and Safety Meeting YES NO

Weather: 45 F Cold, fog, rain

Personnel	Company	Job Title
<u>Patrick Ritchie</u>	<u>MP&A</u>	<u>Environmental Scientist</u>
<u> </u>	<u> </u>	<u> </u>
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Site Activities: Start Time 9:00 End Time 14:15

Equipment On-site: None

Daily Activity:
Measure pressure and water level at TBC Geoprobe locations
Measure pressure at TBC and BC MRVA locations

Estimated time of completion:
On-going

Proposed schedule:
Conduct in-situ monitoring surface water transect and industrial water well locations 1/15/2013
Measure water level for the industrial water wells 1/15/2013
Collect groundwater laboratory samples from TBC Geoprobe location #3 when accessible
Measure pressure and water level at TBC Geoprobe locations 1/21/2013
Collect laboratory samples from the surface water transect location 1/15/2013

Estimated time of completion:
On-going

Initials: PMR