



Texas Brine Company, LLC

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January 17, 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	Steve Shaughnessy - 08:00 - 09:15 Ricky Provost (Code Red) - 07:00 - 17:00	1/16/2013	No	No	No	AreaRAE Monitors	1/17/2013						
	Residential Air Monitoring	No work performed	1/16/2013	NA	NA	NA	NA	NA						
	Gas Seep Sampling	No work performed	1/16/2013	NA	NA	NA	NA	NA						
	Well Gas Sampling	No work performed	1/16/2013	NA	NA	NA	NA	NA						
	Indoor Air Monitoring	No work performed	1/16/2013	NA	NA	NA	NA	NA						
Respec	Inclinometers/Tilt Meters	No work performed	1/16/2013	NA	NA	NA	NA	NA						
	InSAR Reflector Installations	No work performed	1/16/2013	NA	NA	NA	NA	NA						
	Geophone Installation	No work performed	1/16/2013	NA	NA	NA	NA	NA						
	Amendment #3, Directive #1	No work performed	1/16/2013	NA	NA	NA	NA	NA						
Miller	Weekly Stability Survey	No Work Performed	1/16/2013											
	Misc. Survey Work	Joel Miller	1/16/2013											
	Sinkhole Hydro/Perimeter Survey	Matt Fore	1/16/2013											
Pisani	Surface Water	No Work Performed	1/16/2013	NA	NA	NA	NA	NA						
	Well Water	No Work Performed	1/16/2013	NA	NA	NA	NA	NA						
	Geoprobe Wells	No Work Performed	1/16/2013	NA	NA	NA	NA	NA						
Grand Bayou Well 3A														
Daily Operations at 3A			Summary of Today's events											
17-Jan-13			OXY Well 3A											
			3A_CASING Pressures											
			1/16/2013	7:00:00	612									
			Relief Well # 1											
1/15-16/2013	7:00 AM	7:00 AM	24.00	.500"	102.10	2450.39	2450.39		.55psi	Metered CFM				
1/16-17/2013	7:00 AM	7:00 AM	24.00	.500"	1.10	26.31	2476.70	15.55	.85psi	Metered CFM				

Daily Action Summary

January 16, 2013

Stationary Air Monitoring

- Steve Shaughnessy onsite from 08:00 to 09:15. Changed out the monitors between 08:37 and 09:04. 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 (%)
01/16/2013 01:00:00 AM	<1.0	0.0	0.0	0.0	20.9	0.0	0.0	<1.0	0.0	20.4	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
01/16/2013 02:00:00 AM	<1.0	0.0	0.0	0.0	20.9	0.0	0.0	<1.0	0.0	20.3	0.0	0.0	<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
01/16/2013 03:00:00 AM	<1.0	0.0	0.0	0.0	20.9	0.0	0.0	<1.0	0.0	20.3	0.0	0.0	<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
01/16/2013 04:00:00 AM	<1.0	0.0	0.0	0.0	20.9	0.0	0.0	<1.0	0.0	20.3	0.0	0.0	0.0	0.0	20.9	0.0	0.0	0.0	0.0	20.9	0.0	0.0	<1.0	0.0	20.9
01/16/2013 05:00:00 AM	<1.0	0.0	0.0	0.0	20.9	0.0	0.0	0.0	0.0	20.3	0.0	0.0	<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
01/16/2013 06:00:00 AM	<1.0	0.0	0.0	0.0	20.9	0.0	0.0	0.0	0.0	20.3	0.0	0.0	<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
01/16/2013 07:00:00 AM	<1.0	0.0	0.0	0.0	20.9	0.0	0.0	0.0	0.0	20.3	0.0	0.0	<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
01/16/2013 08:00:00 AM	<1.0	0.0	0.0	0.0	21.0	0.0	0.0	0.0	<1.0	20.6	0.0	0.0	<1.0	<1.0	21.1	0.0	0.0	0.0	0.0	20.7	0.0	0.0	<1.0	0.0	20.9
01/16/2013 09:00:00 AM	<1.0	0.0	<1.0	0.0	21.0	0.0	0.0	<1.0	0.0	20.9	0.0	0.0	0.0	0.0	21.1	0.0	0.0	0.0	0.0	21.0	<1.0	<1.0	<1.0	0.0	21.1
01/16/2013 10:00:00 AM	0.0	0.0	<1.0	0.0	20.9	0.0	0.0	<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	<1.0	<1.0	<1.0	0.0	21.0
01/16/2013 11:00:00 AM	0.0	0.0	<1.0	0.0	20.9	<1.0	0.0	<1.0	0.0	20.9	0.0	0.0	0.0	0.0	20.9	0.0	0.0	0.0	0.0	20.9	<1.0	0.0	<1.0	0.0	20.9
01/16/2013 12:00:00 PM	0.0	0.0	<1.0	0.0	20.9	<1.0	0.0	<1.0	0.0	20.9	0.0	0.0	0.0	0.0	20.9	0.0	0.0	0.0	0.0	20.9	<1.0	0.0	<1.0	0.0	20.9
01/16/2013 01:00:00 PM	<1.0	0.0	<1.0	0.0	20.9	<1.0	0.0	<1.0	0.0	20.9	0.0	0.0	0.0	0.0	20.9	0.0	0.0	0.0	0.0	20.9	<1.0	0.0	<1.0	0.0	20.9
01/16/2013 02:00:00 PM	<1.0	0.0	<1.0	0.0	20.9	<1.0	0.0	<1.0	0.0	20.9	0.0	0.0	0.0	0.0	20.9	0.0	0.0	0.0	0.0	20.9	0.0	0.0	<1.0	0.0	20.9
01/16/2013 03:00:00 PM	0.0	0.0	<1.0	0.0	20.9	<1.0	0.0	<1.0	0.0	20.9	0.0	0.0	0.0	0.0	20.9	0.0	0.0	0.0	0.0	20.9	<1.0	0.0	<1.0	0.0	20.9
01/16/2013 04:00:00 PM	<1.0	0.0	<1.0	0.0	20.9	<1.0	0.0	<1.0	0.0	20.9	0.0	0.0	0.0	0.0	20.9	0.0	0.0	0.0	0.0	20.9	<1.0	0.0	<1.0	0.0	20.9
01/16/2013 05:00:00 PM	0.0	0.0	<1.0	0.0	20.9	<1.0	0.0	<1.0	0.0	20.9	0.0	0.0	0.0	0.0	20.9	0.0	0.0	0.0	0.0	20.9	0.0	0.0	<1.0	0.0	20.9
01/16/2013 06:00:00 PM	<1.0	0.0	<1.0	0.0	20.9	<1.0	0.0	<1.0	0.0	20.9	0.0	0.0	0.0	0.0	20.9	0.0	0.0	0.0	0.0	20.9	<1.0	0.0	<1.0	0.0	20.9
01/16/2013 07:00:00 PM	<1.0	0.0	<1.0	0.0	20.9	<1.0	0.0	<1.0	0.0	20.9	0.0	0.0	0.0	0.0	20.9	0.0	0.0	0.0	0.0	20.9	<1.0	0.0	<1.0	0.0	20.9
01/16/2013 08:00:00 PM	0.0	0.0	<1.0	0.0	20.9	<1.0	0.0	<1.0	0.0	20.9	0.0	0.0	0.0	0.0	20.9	0.0	0.0	0.0	0.0	20.9	<1.0	0.0	<1.0	0.0	20.9
01/16/2013 09:00:00 PM	<1.0	0.0	<1.0	0.0	20.9	<1.0	0.0	<1.0	0.0	20.9	0.0	0.0	0.0	0.0	20.9	0.0	0.0	0.0	0.0	20.9	<1.0	0.0	<1.0	0.0	20.9
01/16/2013 10:00:00 PM	0.0	0.0	<1.0	0.0	20.9	<1.0	0.0	<1.0	0.0	20.9	0.0	0.0	0.0	0.0	20.9	0.0	0.0	0.0	0.0	20.9	<1.0	0.0	<1.0	0.0	20.9
01/16/2013 11:00:00 PM	<1.0	0.0	<1.0	0.0	20.9	<1.0	0.0	<1.0	0.0	20.9	0.0	0.0	0.0	0.0	20.9	0.0	0.0	0.0	0.0	20.9	<1.0	0.0	<1.0	0.0	20.9
01/17/2013 12:00:00 AM	<1.0	0.0	<1.0	0.0	20.9	<1.0	0.0	<1.0	0.0	20.9	0.0	0.0	0.0	0.0	20.9	0.0	0.0	0.0	0.0	20.9	<1.0	0.0	<1.0	0.0	20.9

RESPEC Consulting & Services

Texas Brine, L.L.C.

Assumption Parish, Louisiana

Daily Field Report

Report By: David Gnage

Date 1-16-13

Company: RESPEC

Work Order #: ()

Personnel	Company	Job Title

Time Onsite: Start Time: NA End Time: NA

Equipment Onsite: Hand tools

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

Proposed Schedule: No work currently scheduled. Will provide drilling oversight for TBC-LA15 & TBC-LA16 (CrossTex Geophone casings) when site access is granted.

Initials: DJG

ME&A Daily Action Summary

January 16, 2013

Subsidence Survey:

- No Work Done

Sinkhole Perimeter/Hydrographic Survey:

- Arrived @ 8:30 am
- Survey swamp area outside of sinkhole to determine extent of subsidence area.
- Departed @ 5:00 pm

Support Sinkhole Cleanup

- No Work Done

Misc. Survey Work

- Arrived @ 10:00 am
- Stake soil borings for containment system and acquiring ground elevations on existing roads and pads that will be incorporated into containment system.
- Departed @ 3:00 pm

Michael Pisani & Associates

Texas Brine, L.L.C.

Assumption Parish, Louisiana

Daily Field Report

Report By: Patrick Ritchie

Date: 1/16/2013

Company: MP&A

Work Order # 80-05

Health and Safety Meeting YES NO

Weather: 40 F Cold, fog, overcast

<u>Personnel</u>	<u>Company</u>	<u>Job Title</u>
<u>Dave Angle</u>	<u>MP&A</u>	<u>Project Manager</u>
<u>Charles Trahan</u>	<u>MP&A</u>	<u>Geologist</u>
<u>Walker Hill Drill Crew</u>		

Site Activities: Start Time 7:30 End Time 17:00

Equipment On-site: Mud-rotary drill rig

Daily Activity:

Drilled from 100' to 240' bgs at MRAA-03D location

Estimated time of completion:

On-going

Proposed schedule:

Conduct in-situ monitoring surface water transect and industrial water well locations 1/18/2013

Measure water level for the industrial water wells 1/18/2013

Collect groundwater laboratory samples from TBC Geoprobe location #3 when accessible

Measure pressure and water level at TBC Geoprobe locations 1/21/2013

Continue drilling of borehole at MRAA - 03D location and run geophysical log

Installation of 4" well at MRAA-03D

Estimated time of completion:

On-going

Initials: PMR