



Texas Brine Company, LLC

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January 22, 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 Shane Rojas (Code Red) - 07:00 - 17:00	1/21/2013	No	No	No	AreaRAE Monitors	1/22/2013
	Residential Air Monitoring	No work performed	1/21/2013	NA	NA	NA	NA	NA
	Gas Seep Sampling	Steve Shaughnessy - Lead Eric Rucinski - Support 14:20-14:50	1/21/2013	Yes	No	Accutest SPL Isotech	TO15 LGH & Sulfur Isotopic	upon receipt of results from labs
	Well Gas Sampling	No work performed	1/21/2013	NA	NA	NA	NA	NA
	Indoor Air Monitoring	No work performed	1/21/2013	NA	NA	NA	NA	NA
Respec	Inclinometers/Tilt Meters	No work performed	1/21/2013	NA	NA	NA	NA	NA
	InSAR Reflector Installations	No work performed	1/21/2013	NA	NA	NA	NA	NA
	Geophone Installation	No work performed	1/21/2013	NA	NA	NA	NA	NA
	Amendment #3, Directive #2	No work performed	1/21/2013	NA	NA	NA	NA	NA
Miller	Weekly Stability Survey	No Work Performed	1/21/2013	NA	NA	NA	NA	NA
	Misc. Survey Work	Joel Miller	1/21/2013	NA	NA	NA	NA	NA
	Sinkhole Hydro/Perimeter Survey	No Work Performed	1/21/2013	NA	NA	NA	NA	NA
Pisani	Surface Water	No Work Performed	1/21/2013	NA	NA	NA	NA	NA
	Well Water	No Work Performed	1/21/2013	NA	NA	NA	NA	NA
	Geoprobe Wells	No Work Performed	1/21/2013	NA	NA	NA	NA	NA

Grand Bayou Well 3A

Daily Operations at 3A	<u>Summary of Today's events</u>										
	Well OG 3A										
22-Jan-13	Casing Pressure	PSI									
	7:00 AM	479									
	Relief Well # 1										
1/21-22/2013	7:00 AM	7:00 AM	24.00	.500"	107.67	2584.03	2584.03		30.24	14.85	0.67

-14.18 | Metered CFM

Daily Action Summary

January 21, 2013

Stationary Air Monitoring

- Steve Shaughnessy onsite from 08:00 to 09:15. Changed out the monitors between 08:34 and 09:06. Collected data from the monitoring database and forwarded to Jill Martin in the Baton Rouge office for processing.
- Shane Rojas 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

- Steve Shaughnessy, lead, and Eric Rucinski, support, started the scheduled Gas Seep Sampling at 14:20 and finished at 14:50. The samples were collected from PND-1, which is North of RW-1 and West of the Maintenance Shop. The samples were taken to Accutest/SPL laboratories to be analyzed. Samples will be tested for Light Hydrocarbon Gas (LHG) and Sulfur compounds (S) at the SPL Louisiana laboratory and Toxics (TO15) at the Accutest New Jersey laboratory. Samples were also shipped to Isotech Laboratories in Illinois for isotopic analysis.

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 (%)
01/21/2013 01:00:00 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	0.0	0.0	0.0	0.0	20.9
01/21/2013 02:00:00 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	0.0	0.0	0.0	0.0	20.9
01/21/2013 03:00:00 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	0.0	0.0	0.0	0.0	20.9
01/21/2013 04:00:00 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	0.0	<1.0	0.0	0.0	20.9
01/21/2013 05:00:00 AM	<1.0	0.0	0.0	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	0.0	0.0	20.9
01/21/2013 06:00:00 AM	<1.0	0.0	0.0	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	0.0	0.0	20.9
01/21/2013 07:00:00 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	0.0	0.0	0.0	0.0	20.9
01/21/2013 08:00:00 AM	<1.0	<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	0.0	0.0	0.0	0.0	20.9	0.0	<1.0	0.0	0.0	20.9
01/21/2013 09:00:00 AM	0.0	0.0	1.4	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	0.0	0.0	21.1	<1.0	0.0	<1.0	0.0	21.1
01/21/2013 10:00:00 AM	0.0	0.0	0.0	0.0	20.9	0.0	0.0	<1.0	0.0	21.0	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	21.3
01/21/2013 11:00:00 AM	0.0	0.0	0.0	0.0	20.9	0.0	0.0	<1.0	0.0	21.3	0.0	0.0	<1.0	0.0	21.1	0.0	0.0	<1.0	0.0	20.9	<1.0	0.0	<1.0	0.0	21.4
01/21/2013 12:00:00 PM	0.0	0.0	0.0	0.0	20.9	0.0	0.0	<1.0	0.0	21.2	0.0	0.0	<1.0	0.0	21.3	0.0	0.0	<1.0	0.0	20.9	<1.0	0.0	<1.0	0.0	21.4
01/21/2013 01:00:00 PM	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	21.3	0.0	0.0	<1.0	0.0	20.9	<1.0	0.0	<1.0	0.0	21.3
01/21/2013 02:00:00 PM	0.0	0.0	0.0	0.0	20.9	<1.0	0.0	<1.0	0.0	20.9	0.0	0.0	<1.0	0.0	21.2	0.0	0.0	<1.0	0.0	21.2	<1.0	0.0	<1.0	0.0	21.4
01/21/2013 03:00:00 PM	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	21.2	0.0	0.0	0.0	0.0	21.2	<1.0	0.0	<1.0	0.0	21.4
01/21/2013 04:00:00 PM	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	21.2	0.0	0.0	0.0	0.0	21.2	<1.0	0.0	<1.0	0.0	21.4
01/21/2013 05:00:00 PM	0.0	<1.0	0.0	0.0	20.9	0.0	<1.0	<1.0	0.0	20.9	0.0	0.0	<1.0	0.0	21.2	0.0	0.0	0.0	0.0	21.0	<1.0	0.0	<1.0	0.0	21.3
01/21/2013 06:00:00 PM	0.0	0.0	0.0	0.0	20.9	0.0	<1.0	<1.0	0.0	20.9	0.0	0.0	<1.0	0.0	21.2	0.0	0.0	0.0	0.0	21.0	<1.0	0.0	<1.0	0.0	21.3
01/21/2013 07:00:00 PM	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	0.0	0.0	20.9	<1.0	0.0	<1.0	0.0	21.2
01/21/2013 08:00:00 PM	0.0	<1.0	0.0	0.0	20.9	0.0	<1.0	<1.0	0.0	20.9	0.0	0.0	<1.0	0.0	20.9	0.0	0.0	0.0	0.0	21.0	<1.0	0.0	<1.0	0.0	21.1
01/21/2013 09:00:00 PM	0.0	0.0	0.0	0.0	20.9	0.0	<1.0	<1.0	0.0	20.9	0.0	0.0	<1.0	0.0	20.9	0.0	0.0	0.0	0.0	20.9	<1.0	0.0	<1.0	0.0	21.2
01/21/2013 10:00:00 PM	0.0	0.0	0.0	0.0	20.9	0.0	<1.0	<1.0	0.0	20.7	0.0	0.0	<1.0	0.0	20.9	0.0	0.0	0.0	0.0	20.9	<1.0	0.0	<1.0	0.0	21.0
01/21/2013 11:00:00 PM	0.0	0.0	0.0	0.0	20.9	0.0	<1.0	<1.0	0.0	20.6	0.0	0.0	<1.0	0.0	20.9	0.0	0.0	0.0	0.0	20.9	<1.0	0.0	<1.0	0.0	20.9
01/22/2013 12:00:00 AM	0.0	0.0	0.0	0.0	20.9	0.0	<1.0	<1.0	0.0	20.5	0.0	0.0	<1.0	0.0	20.9	0.0	0.0	0.0	0.0	20.9	<1.0	0.0	<1.0	0.0	20.9

NOTE: At AM-3 an extra monitor change-out occurred at 09:29 due to VOC sensor failure. RTU_6 will be serviced by on-site technician.



Gas Seep Sampling Location

January 21, 2013

RESPEC Consulting & Services

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

Report By: David Gnage

Date 1-21-13

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: RESPEC will be on-site January 22 to January 25 to recon impacts of recent movement on current instrument and coordinate with Fenstermaker and Miller on subsidence survey. 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 21, 2013

Subsidence Survey:

- No Work Done

Sinkhole Perimeter/Hydrographic Survey:

- No Work Done

Support Sinkhole Cleanup

- No Work Done

Misc. Survey Work

- Arrived @ 10:00 am
- Cross section plant roads and pads for containment system. Stake ORW-11 & G-03 well pad corners and lines for chipping.
- Departed @ 5:00 pm

Michael Pisani & Associates

Texas Brine, L.L.C.

Assumption Parish, Louisiana

Daily Field Report

Report By: Patrick Ritchie

Company: MP&A

Date: 1/21/2013

Work Order # 80-05

Health and Safety Meeting YES NO

Weather: 65 F sunny, clear

<u>Personnel</u>	<u>Company</u>	<u>Job Title</u>
<u>Charles Trahan</u>	<u>MP&A</u>	<u>Geologist</u>
<u>Walker Hill Drill Crew</u>		
<u>Patrick Ritchie</u>	<u>MP&A</u>	<u>Environmental Scientist</u>

Site Activities: Start Time 9:00 End Time 17:00

Equipment On-site: GardnerDenver mud rotary rig
Vac Truck
Skid steer

Daily Activity:

Measure pressure and water level at TBC Geoprobe locations
Reconfigure well caps on GP wells
Discussion and decision reach on MRAA-03 due to onsite activity of 1/19/13

Estimated time of completion:
On-going

Proposed schedule:

Conduct in-situ monitoring surface water transect and industrial water well locations 1/22/2013
Measure water level for the industrial water wells 1/22/2013
Collect groundwater laboratory samples from TBC Geoprobe location #3 when accessible
Measure pressure and water level at TBC Geoprobe locations 1/28/2013
MRAA-03 to be plugged and abandoned 1/22/2013
Move rig to MRAA-01 location and begin drilling 1/22/2013
Estimated time of completion:
On-going

Initials: PMR