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GOVERNOR

State of Louisiana
DEPARTMENT OF NATURAL RESOURCES
OFFICE OF CONSERVATION

STEPHEN CHUSTZ
SECRETARY

JAMES H. WELSH
COMMISSIONER OF CONSERVATION

**NINTH AMENDMENT TO DECLARATION OF EMERGENCY
AND DIRECTIVE TO TEXAS BRINE COMPANY, LLC FOR
EMERGENCY SITUATION ASSOCIATED WITH COLLAPSE OF
OXY-GEISMAR NO. 3 CAVERN, WELL SN 180708**

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, this NINTH AMENDMENT TO THE DECLARATION OF EMERGENCY AND DIRECTIVE is hereby issued;

It is hereby declared that the Eighth Amendment to Declarations of Emergency and Directive effective July 19, 2013, and issued to Texas Brine Company LLC (T149) concerning a sinkhole that has occurred immediately adjacent to OXY GEISMAR NO. 3 well site (Serial Number 180708), the associated salt cavern, and the OXY GEISMAR NO. 3A observation well (Serial Number 974265), the following facts have been found to exist:

- 1) On March 22, 2013, the Secretary of the Louisiana Department of Natural Resources formed the Blue Ribbon Commission on Bayou Corne and Grand Bayou Public Safety ("BRC") to provide its recommendations on appropriate remediation/monitoring benchmarks or conditions to ensure sustained public safety, as well as, on additional data needed to assess current conditions and define those benchmarks.
- 2) These recommendations are to be reported to the Secretary of the Louisiana Department of Natural Resources, the Commissioner of Conservation, the Governor's Office of Homeland Security and Emergency Preparedness, and the Assumption Parish Office of Homeland Security and Emergency Preparedness.
- 3) On or about June 19, 2013, the BRC reported to the Commissioner of Conservation the recommendation that the current pressure monitoring network be expanded in the MRAA to include fourteen (14) additional pressure monitoring wells (PMWs) in accordance with the minimal recommended requirements document "RRD-GAS-09" attached hereto as Exhibit "A". On or about June 19, 2013, Texas Brine Company LLC (T149) was provided with the RRD-GAS-09 document.
- 4) To date, two (TBC-PMW-008 and TBC-PMW-012) of the fourteen recommended PMWs have been installed. Of the two installed PMWs, Conservation agrees TBC-PMW-012 has been converted into an observation relief well (ORW) and ORW-42 has been proposed by Texas Brine Company, LLC to be converted into a PMW.

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5) Following review of these recommendations, the Commissioner of Conservation determines that the recommendations of the BRC are necessary for the protection of public safety from the potential threat associated with the OXY GEISMAR NO. 3 well (Serial Number 180708) facility and site.

Therefore, until further notice, based upon the findings herein listed as well as those findings set forth in the original and previous amendments to the declaration of emergency/directives, it is determined that the requirements for declaring an emergency pursuant to La. R.S. 30:6.1 have been met and an emergency continues to exist due to the incidents which have occurred, are occurring, or threaten to occur imminently at the OXY GEISMAR NO. 3 well (Serial Number 180708) facility and site.

It is hereby declared that in response to the emergency, Texas Brine Company LLC (T149) is **hereby ordered** to undertake any and all necessary actions to assess for and abate threats to human safety and the environment associated with the OXY GEISMAR NO. 3 well (Serial Number 180708) facility and site.

It is further declared that Texas Brine Company LLC (T149) is specifically directed and is **hereby ordered** to undertake the necessary actions to address the potential danger to human life associated with the OXY GEISMAR NO. 3 well (Serial Number 180708) facility and site, which at a minimum shall require the following:

1. By no later than December 1, 2013 Texas Brine Company LLC (T149) shall undertake the actions necessary to convert ORW-42 into a PMW constructed in accordance with the specifically recommended requirements established by the BRC as set forth in Exhibit "A" attached hereto.
2. By no later than January 31, 2014 Texas Brine Company LLC (T149) undertake all necessary actions to comply with and in accordance to the specifically recommended requirements established by the BRC as set forth in Exhibit "A" attached hereto.
3. By no later than November 25, 2013, Texas Brine Company LLC (T149) undertake collection of daily pressure readings on all pressure monitoring and observation relief wells regardless of the status of the well, to be reported daily on the spreadsheet as set forth in Exhibit "B" attached hereto. Additionally installed pressure monitoring wells and observation relief wells shall be added to the spreadsheet immediately upon installation of a pressure monitoring gauge in which a pressure reading may be collected. Additional information such as "dewatering activities," "new gauge installed," "well maintenance activities," etc., shall be recorded in the "comments" section of the spreadsheet if those or any other activity is occurring during pressure reading collection.
4. An "as built" summary table and location map of all pressure monitoring wells and observation relief wells shall be included with the daily pressure reading spreadsheet as set forth in Exhibit "C" attached hereto. The summary table and location map shall be updated immediately upon installation of additional pressure monitoring wells and/or observation relief wells.

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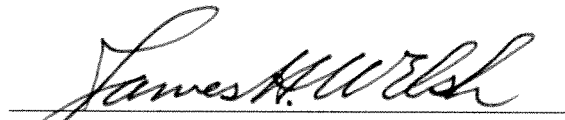
It is further declared that, consistent with La. R.S. 30:6.1.B, if Texas Brine Company LLC (T149) fails to begin the actions listed above prior to the deadline(s) established herein, orders demanding compliance and civil penalties may be issued to Texas Brine Company LLC (T149) R.S. 30:1, et seq.

It is further declared that for purposes of this Declaration of Emergency and Directive any and all reports and results from the activities detailed above shall be submitted to the Office of Conservation via e-mail at conservationorder@la.gov. Please reference "Emergency Declaration – Texas Brine Company LLC – July 12, 2013" on any and all related correspondence.

In the event Texas Brine Company LLC (T149) believes it is aggrieved by this action, then within 20 days of receipt of this Emergency Declaration and Directive, Texas Brine Company LLC (T149) may make a written request for a public hearing. A public hearing request must be accompanied by a check or money order in the non-refundable amount of \$755 as provided by LAC 43:XIX.Chapter 7, or the request for hearing will be denied. Be advised that pursuant to La. R.S. 30:6.1.D, "any request for hearing, appeal, or request for review [of this emergency declaration and directive] shall not suspend the implementation of the action ordered."

Texas Brine Company LLC's (T149) failure to request a hearing, or to file an appeal, or the withdrawal of a request for hearing on this Emergency Declaration and Directive shall not preclude Texas Brine Company LLC (T149) from contesting the commissioner's findings of facts in any subsequent administrative or judicial proceeding or action.

SO DECLARED, ORDERED, AND DONE this 22nd day of November 2013 at Baton Rouge, Louisiana.



JAMES H. WELSH
COMMISSIONER OF CONSERVATION