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VIA E-MAIL
Mr. Gary Snellgrove, Director
Environmental Division
Office of Conservation
Department of Natural Resources
617 North 3rd Street
Baton Rouge, LA 70802

RE: H. C. Drew Estate
vs. **(NO. 2019-4925 "F")**
Neumin Production Company, et al.

Dear Gary:

In response to your prior inquiries, we presently do not intend to participate in any proceedings before the Louisiana Department of Natural Resources ("LDNR") pertaining to Neumin's limited admission because, among other issues, Neumin has not complied with the applicable laws and rules governing these proceedings.

We intend to file a formal motion or pleading to dismiss these proceedings as soon as practicable. However, Neumin has failed to comply with the applicable laws and regulations in at least two respects.

First, article 1563(A) of the Louisiana Code of Civil Procedure requires a party that makes a limited admission to submit an initial payment of costs of $100,000. Specifically, article 1563(A)(6) provides that "[t]his initial payment **shall be deposited prior to or along with the submission of the plan by the admitting party**." As you and others at LDNR are aware, Neumin did not comply with this article when it filed its limited admission.

In addition, the initial and amended plans submitted by Neumin's environmental experts at ERM fail to comply with LDNR's own rules governing these proceedings. Section 611(A) provides that the "[t]he commissioner of conservation shall consider only those plans filed in a timely manner and in accordance with these rules and orders of the court." 43 La. Admin. Code Pt XIX, 611(A). Section 611(F) goes on to say that all plans submitted must comply with Statewide Order 29-B.

However, if a party seeks an exception to Statewide Order 29-B, it must submit a plan that fully complies with Statewide Order 29-B and a **separate** plan that provides details about any exceptions that the party is seeking. 43 La. Admin. Code Pt XIX, 611(F).

Neumin's plans do not fully comply with the Statewide Order 29-B regulations for at least two reasons. First, its plans ignore all exceedances of the Statewide Order 29-B regulations (namely, the salt-related parameters) in the soils below what it claims to be the "effective root zone." Second, Neumin's plans do not apply Statewide Order 29-B's background standard for groundwater. Instead, its plans apply RECAP as an exception to conclude that nothing needs to be done to clean-up or remediate the groundwater. Moreover, Neumin did not submit a separate plan that complies with the clear requirements of Section 611(F)(2).

Because of Neumin's failure to comply with the laws and rules governing its limited admission, there is no "plan" for LDNR to consider at this time. If Neumin complies with the plain language of these laws and rules, we will re-evaluate our decision at that time about the extent to which we participate, if at all, in the process before LDNR.

Subject to our objections summarized above, we are available on February 15 or 16 for LDNR's proposed site inspection.

Thanking you for your cooperation, I remain

Very truly yours,

TURNER D. BRUMBY

TDB:yh
cc: All Counsel of Record (via e-mail)