IN THE UNITED STATES DISTRICT COURT FOR THE EASTERN DISTRICT OF LOUISIANA

HORNBECK OFFSHORE SERVI CES, L.L.C.,

Plaintiff,

v.

KENNETH LEE "KEN" SALAZAR, et al.

Defendants.

CIVIL ACTION NO. 10-1663 JUDGE MARTIN L.C. FELDMAN SECTION "F" MAGISTRATE JOSEPH C. WILKINSON

DIVISION 2

FEDERAL DEFENDANTS' ANSWER TO PLAINTIFFS' FIRST SUPPLEMENTAL AND AMENDED COMPLAINT FOR DECLARATORY AND INJUNCTIVE RELIEF

Federal Defendants Kenneth Lee Salazar, the United States Department of the

Interior, Michael R. Bromwich, and the Bureau of Ocean Energy Management, Regulation, and Enforcement, hereby answer Plaintiffs' First Supplemental and Amended Complaint for Declaratory and Injunctive Relief (Dkt. # 5). The introductory paragraph in Plaintiffs' First Supplemental and Amended Complaint constitutes Plaintiffs' characterization of their action, which requires no response. The following Paragraphs are numbered to correspond with the Paragraphs in the remainder of Plaintiffs' First Supplemental and Amended Complaint. Federal Defendants deny any allegations not specifically denied, admitted, or modified.

1. Federal Defendants lack sufficient knowledge or information to form a belief as to the truthfulness of the allegations in Paragraph 1, and the allegations are therefore denied.

2. Federal Defendants lack sufficient knowledge or information to form a belief as to the truthfulness of the allegations in Paragraph 2, and the allegations are therefore denied.

3. Federal Defendants lack sufficient knowledge or information to form a belief as to the truthfulness of the allegations in Paragraph 3, including subparagraphs a through j, and the

allegations are therefore denied. Subparagraph k in Paragraph 3 constitutes a collective reference to several of Plaintiffs' business entities, which requires no response.

4. Federal Defendants lack sufficient knowledge or information to form a belief as to the truthfulness of the allegations in Paragraph 4, and the allegations are therefore denied.

5. Federal Defendants lack sufficient knowledge or information to form a belief as to the truthfulness of the allegations in Paragraph 5, including subparagraphs a through h, and the allegations are therefore denied. Subparagraph i in Paragraph 5 constitutes a collective reference to several of Plaintiffs' business entities, which requires no response.

6. Federal Defendants lack sufficient knowledge or information to form a belief as to the truthfulness of the allegations in Paragraph 6, and the allegations are therefore denied.

7. Paragraph 7 constitutes a collective reference to several of Plaintiffs' business entities, which requires no response.

8. Federal Defendants lack sufficient knowledge or information to form a belief as to the truthfulness of the allegations in Paragraph 8, and the allegations are therefore denied.

9. Federal Defendants lack sufficient knowledge or information to form a belief as to the truthfulness of the allegations in Paragraph 9, and the allegations are therefore denied.

10. Paragraph 10 constitutes a collective reference to several of Plaintiffs' business entities, which requires no response.

11. Federal Defendants lack sufficient knowledge or information to form a belief as to the truthfulness of the allegations in Paragraph 11, and the allegations are therefore denied.

12. Federal Defendants lack sufficient knowledge or information to form a belief as to the truthfulness of the allegations in Paragraph 12, including its subparagraphs, and the allegations are therefore denied.

13. Paragraph 13 constitutes a collective reference to several of Plaintiffs' business entities, which requires no response.

14. Federal Defendants lack sufficient knowledge or information to form a belief as to the truthfulness of the allegations in Paragraph 14, including its subparagraphs, and the allegations are therefore denied.

15. Paragraph 15 constitutes a collective reference to several of Plaintiffs' business entities, which requires no response.

16. Paragraph 16 constitutes a collective reference to several of Plaintiffs' business entities, which requires no response.

17. Federal Defendants lack sufficient knowledge or information to form a belief as to the truthfulness of the allegations in Paragraph 17, and the allegations are therefore denied.

18. Paragraph 18 constitutes a collective reference to several of Plaintiffs' business entities, which requires no response.

19. Federal Defendants respond to Paragraph 19's subparagraphs as follows:

a. Federal Defendants admit the allegations contained in subparagraph a of Paragraph 19, but aver that the Bureau of Ocean Energy Management, Regulation, and Enforcement has succeeded the Minerals Management Service and assumed all of the latter's functions and responsibilities.

b. Federal Defendants admit the allegations contained in subparagraph b of Paragraph 19, but aver that the Bureau of Ocean Energy Management, Regulation, and Enforcement has succeeded the Minerals Management Service and assumed all of the latter's functions and responsibilities.

c. Federal Defendants admit the allegations contained in subparagraph c of Paragraph19, but aver that the Bureau of Ocean Energy Management, Regulation, and Enforcement (BOEMRE) has succeeded the Minerals Management Service and assumed all of the latter's functions and responsibilities, and that Michael Bromwich has succeeded Robert Abbey as the Director of BOEMRE.

d. Federal Defendants admit the allegations contained in the first sentence of subparagraph d to Paragraph 19, but aver that the Bureau of Ocean Energy Management, Regulation, and Enforcement (BOEMRE) has succeeded the Minerals Management Service and assumed all of the latter's functions and responsibilities. The second sentence of subparagraph d to Paragraph 19 constitutes a collective reference to Defendants, which requires no response.

20. The allegations contained in Paragraph 20 state conclusions of law, which require no response. To the extent a response is required, the allegations are denied.

21. The allegations contained in Paragraph 21 state conclusions of law, which require no response. To the extent a response is required, Federal Defendants admit that venue is proper in the Eastern District of Louisiana.

22. The allegations contained in Paragraph 22 state conclusions of law, which require no response. To the extent a response is required, the allegations are denied.

23. Federal Defendants lack sufficient knowledge or information to form a belief as to the truthfulness of the allegations in Paragraph 23, and the allegations are therefore denied.

24. Federal Defendants lack sufficient knowledge or information to form a belief as to the truthfulness of the allegations in Paragraph 24, and the allegations are therefore denied.

25. Federal Defendants lack sufficient knowledge or information to form a belief as to the truthfulness of the allegations in Paragraph 25, and the allegations are therefore denied.

26. Federal Defendants admit that Port Fourchon is located in Lafourche Parish, Louisiana, and that it is the largest intermodal port for oil and gas support in the nation. The remaining allegations contained in Paragraph 26 are too vague and ambiguous for Federal Defendants to form a belief as to their truthfulness, and the allegations are therefore denied.

27. Federal Defendants lack sufficient knowledge or information to form a belief as to the truthfulness of the allegations in Paragraph 27, and the allegations are therefore denied.

28. Federal Defendants lack sufficient knowledge or information to form a belief as to the truthfulness of the allegations in Paragraph 28, and the allegations are therefore denied.

29. Federal Defendants lack sufficient knowledge or information to form a belief as to the truthfulness of the allegations in Paragraph 29, and the allegations are therefore denied.

30. Federal Defendants lack sufficient knowledge or information to form a belief as to the truthfulness of the allegations in Paragraph 30, and the allegations are therefore denied.

31. Federal Defendants lack sufficient knowledge or information to form a belief as to the truthfulness of the allegations in Paragraph 31, and the allegations are therefore denied.

32. Federal Defendants lack sufficient knowledge or information to form a belief as to the truthfulness of the allegations in Paragraph 32, and the allegations are therefore denied.

33. Federal Defendants lack sufficient knowledge or information to form a belief as to the truthfulness of the allegations in the first sentence of Paragraph 33, and the allegations are therefore denied. The allegations in the second sentence of Paragraph 33 are too vague and ambiguous for Federal Defendants to form a belief as to their truthfulness, and the allegations are therefore denied.

34. Federal Defendants lack sufficient knowledge or information to form a belief as to the truthfulness of the allegations in Paragraph 34, and the allegations are therefore denied.

35. Federal Defendants lack sufficient knowledge or information to form a belief as to the truthfulness of the allegations in Paragraph 35, and the allegations are therefore denied.

36. Federal Defendants lack sufficient knowledge or information to form a belief as to the truthfulness of the allegations in Paragraph 36, and the allegations are therefore denied.

37. Federal Defendants lack sufficient knowledge or information to form a belief as to the truthfulness of the allegations in Paragraph 37, and the allegations are therefore denied.

38. Federal Defendants lack sufficient knowledge or information to form a belief as to the truthfulness of the allegations in Paragraph 38, and the allegations are therefore denied.

39. Federal Defendants lack sufficient knowledge or information to form a belief as to the truthfulness of the allegations in Paragraph 39, and the allegations are therefore denied.

40. Federal Defendants lack sufficient knowledge or information to form a belief as to the truthfulness of the allegations in Paragraph 40, and the allegations are therefore denied.

41. Federal Defendants lack sufficient knowledge or information to form a belief as to the truthfulness of the allegations in Paragraph 41, and the allegations are therefore denied.

42. Federal Defendants deny that the oil spill continues to present day, but admit the remaining allegations contained in Paragraph 42.

43. Federal Defendants admit that the President directed the Secretary to conduct a review and to report within thirty days. The remaining allegations contained in Paragraph 43 purport to characterize an unspecified report, which speaks for itself and is the best evidence of its contents. To the extent the allegations are inconsistent with that report, they are denied.

44. Federal Defendants admit that on May 27, 2010, the Department of the Interior issued a Report entitled, "Increased Safety Measures for Energy Development on the Outer Continental Shelf" ("Safety Report"). The remaining allegations contained in Paragraph 44

purport to characterize the Safety Report, which speaks for itself and is the best evidence of its contents. To the extent the allegations are inconsistent with the Safety Report, they are denied.

45. The allegations contained in Paragraph 45 purport to characterize the Safety Report, which speaks for itself and is the best evidence of its contents. To the extent the allegations are inconsistent with the Safety Report, they are denied.

46. The allegations contained in Paragraph 46 purport to characterize the Safety Report and "MMS Deepwater Drilling Rig Inspection Report" ("Inspection Report"), which speak for themselves and are the best evidence of their contents. To the extent the allegations are inconsistent with those documents, they are denied.

47. The allegations contained in Paragraph 47 purport to characterize the Safety Report, which speaks for itself and is the best evidence of its contents. To the extent the allegations are inconsistent with the Safety Report, they are denied.

48. Federal Defendants admit that the President publicly announced the suspension of certain drilling operations in the Gulf of Mexico. The remaining allegations in Paragraph 48 purport to characterize that public announcement, which speaks for itself and is the best evidence of its contents. To the extent the allegation are inconsistent with that announcement, they are denied.

49. Federal Defendants admit that the Secretary issued a memorandum on May 28, 2010. The remaining allegations contained in Paragraph 49 purport to characterize the Secretary's May 28, 2010, memorandum, which speaks for itself and is the best evidence of its contents. To the extent the allegations are inconsistent with the memorandum, they are denied.

50. The allegations contained in Paragraph 50 purport to characterize Notice to Lessees No. 2010-N04 ("NTL-04"), which speaks for itself and is the best evidence of its contents. To the extent the allegations are inconsistent with NTL-04, they are denied.

51. The allegations contained in Paragraph 51 purport to characterize NTL-04, which speaks for itself and is the best evidence of its contents. To the extent the allegations are inconsistent with NTL-04, they are denied.

52. The allegations contained in Paragraph 52 purport to characterize the Safety Report and NTL-04, which speak for themselves and are the best evidence of their contents. To the extent the allegations are inconsistent with those documents, they are denied.

53. The allegations contained in Paragraph 53 purport to characterize NTL-04, federal regulations, and the Inspection Report, which speak for themselves and are the best evidence of their contents. To the extent the allegations are inconsistent with NTL-04 or those regulations, they are denied.

54. Federal Defendants deny that BOEMRE has denied new drilling permits for waters at depths under 500 feet. The remaining allegations contained in Paragraph 54 purport to characterize NTL-04 and a June 2, 2010, press release, which speak for themselves and are the best evidence of their contents. To the extent the allegations are inconsistent with those documents, they are denied.

55. Federal Defendants deny the allegations contained in Paragraph 55.

56. Federal Defendants deny the allegations contained in Paragraph 56.

57. Federal Defendants lack sufficient knowledge or information to form a belief as to the truthfulness of the allegations in Paragraph 57, and the allegations are therefore denied.

58. Federal Defendants lack sufficient knowledge or information to form a belief as to the truthfulness of the allegations in Paragraph 58, and the allegations are therefore denied.

59. Federal Defendants lack sufficient knowledge or information to form a belief as to the truthfulness of the allegations in Paragraph 59, and the allegations are therefore denied.

60. Federal Defendants lack sufficient knowledge or information to form a belief as to the truthfulness of the allegations in Paragraph 60, and the allegations are therefore denied.

61. Federal Defendants lack sufficient knowledge or information to form a belief as to the truthfulness of the allegations in Paragraph 61, and the allegations are therefore denied.

62. Federal Defendants lack sufficient knowledge or information to form a belief as to the truthfulness of the allegations in Paragraph 62, and the allegations are therefore denied.

63. Federal Defendants lack sufficient knowledge or information to form a belief as to the truthfulness of the allegations in Paragraph 63, and the allegations are therefore denied.

64. Federal Defendants lack sufficient knowledge or information to form a belief as to the truthfulness of the allegations in Paragraph 64, and the allegations are therefore denied.

65. Federal Defendants lack sufficient knowledge or information to form a belief as to the truthfulness of the allegations in Paragraph 65, and the allegations are therefore denied.

66. Federal Defendants lack sufficient knowledge or information to form a belief as to the truthfulness of the allegations in Paragraph 66, and the allegations are therefore denied.

67. Federal Defendants lack sufficient knowledge or information to form a belief as to the truthfulness of the allegations in Paragraph 67, and the allegations are therefore denied.

68. The allegations contained in the first and second sentences of Paragraph 68 purport to characterize federal statutes, which speak for themselves and are the best evidence of their contents. To the extent the allegations are inconsistent with those statutes, they are denied.

The allegations contained in the third sentence of Paragraph 68 state conclusions of law, which require no response. To the extent a response is required, the allegations are denied.

69. The allegations contained in Paragraph 69 purport to characterize a federal statute, which speaks for itself and it is the best evidence of its contents. To the extent the allegations are inconsistent with that statute, they are denied.

70. The allegations contained in Paragraph 70 purport to characterize a federal statute, which speaks for itself and it is the best evidence of its contents. To the extent the allegations are inconsistent with that statute, they are denied.

71. The allegations contained in Paragraph 71 purport to characterize a federal statute, which speaks for itself and is the best evidence of its contents. To the extent the allegations are inconsistent with that statute, they are denied.

72. The allegations contained in Paragraph 72 purport to characterize a federal statute, which speaks for itself and is the best evidence of its contents. To the extent the allegations are inconsistent with that statute, they are denied.

73. The allegations contained in Paragraph 73 purport to characterize a federal regulation, which speaks for itself and is the best evidence of its contents. To the extent the allegations are inconsistent with that regulation, they are denied.

74. The allegations contained in Paragraph 74 purport to characterize a federal regulation, which speaks for itself and is the best evidence of its contents. To the extent the allegations are inconsistent with that regulation, they are denied.

75. The allegations contained in Paragraph 75 purport to characterize a federal regulation, which speaks for itself and is the best evidence of its contents. To the extent the allegations are inconsistent with that regulation, they are denied.

76. The allegations contained in Paragraph 76 state conclusions of law, which require no response. To the extent a response is required, the allegations are denied.

77. The allegations contained in the first sentence of Paragraph 77 state conclusions of law, which require no response. To the extent a response is required, Federal Defendants admit that the Administrative Procedure Act generally limits judicial review to the agency's administrative record. Federal Defendants deny the allegations contained in the second sentence of Paragraph 77.

78. The allegations contained in Paragraph 78 purport to characterize federal statutes, which speak for themselves and are the best evidence of their contents. To the extent the allegations are consistent with those statutes, they are denied.

79. The allegations contained in Paragraph 79 state conclusions of law, which require no response. To the extent a response is required, the allegations are denied.

80. The allegations contained in Paragraph 80 purport to characterize the Safety Report, which speaks for itself and is the best evidence of its contents. To the extent the allegations are inconsistent with the Safety Report, they are denied.

81. The allegations contained in the first sentence of Paragraph 81 purport to characterize the May 28, 2010, memorandum, which speaks for itself and is the best evidence of its contents. To the extent the allegations are inconsistent with the memorandum, they are denied. The allegations contained in the second sentence of Paragraph 71 purport to characterize a federal statute, which speaks for itself and is the best evidence of its contents. To the extent the allegations are inconsistent with the second sentence of Paragraph 71 purport to characterize a federal statute, which speaks for itself and is the best evidence of its contents. To the extent the allegations are inconsistent with that statute, they are denied.

82. The allegations contained in Paragraph 82 purport to characterize the Inspection Report, which speaks for itself and is the best evidence of its contents. To the extent the allegations are inconsistent with the Inspection Report, they are denied.

83. The allegations contained in Paragraph 83 purport to characterize the Safety Report and an issued statement, which speak for themselves and are the best evidence of their contents. To the extent the allegations are inconsistent with those documents, they are denied.

84. The allegations contained in the first and third sentences of Paragraph 84 state conclusions of law, which require no response. To the extent a response is required, the allegations are denied. The allegations contained in the second sentence of Paragraph 84 purport to characterize the Inspection Report, which speaks for itself and is the best evidence of its contents. To the extent the allegations are inconsistent with the Inspection Report, they are denied.

85. The allegations contained in Paragraph 85 purport to characterize a federal regulation, which speaks for itself and is the best evidence of its contents. To the extent the allegations are inconsistent with that regulation, they are denied.

86. The allegations contained in the first clause of Paragraph 86 state conclusions of law, which require no response. To the extent a response is required, they allegations are denied. The remaining allegations contained in Paragraph 86 purport to characterize the Safety Report, the May 28, 2010, memorandum, and NTL-04, which speak for themselves and are the best evidence of their contents. To the extent the allegations are inconsistent with those documents, they are denied.

87. The allegations contained in the first sentence of Paragraph 87 purport to characterize a federal statute, which speaks for itself and is the best evidence of its contents. To

the extent the allegations are inconsistent with that statute, they are denied. The remaining allegations contained in Paragraph 87 state conclusions of law, which require no response. To the extent a response is required, the allegations are denied.

88. The allegations contained in Paragraph 88 state conclusions of law, which require no response. To the extent a response is required, the allegations are denied.

89. The allegations contained in Paragraph 89, including its subparagraphs, state conclusions of law, which require no response. To the extent a response is required, the allegations are denied. The allegations contained in Paragraph 89, including its subparagraphs, also purport to characterize the Safety Report, the May 28, 2010, memorandum, NTL-04, and the Inspection Report, which speak for themselves and are the best evidence of their contents. To the extent the allegations are inconsistent with those documents, they are denied.

90. The allegations contained in Paragraph 90, including its subparagraphs, state conclusions of law, which require no response. To the extent a response is required, the allegations are denied.

91. The allegations contained in Paragraph 91, including its subparagraphs, state conclusions of law, which require no response. To the extent a response is required, the allegations are denied.

92. Paragraph 92 constitutes Plaintiffs' request for relief, which requires no response.To the extent a response is required, Federal Defendants deny Plaintiffs are entitled to the request relief or any relief whatsoever.

93. Federal Defendants lack sufficient knowledge or information to form a belief as to the truthfulness of the allegations in Paragraph 93, and the allegations are therefore denied.

94. Federal Defendants lack sufficient knowledge or information to form a belief as to the truthfulness of the allegations in Paragraph 94, and the allegations are therefore denied.

95. Federal Defendants lack sufficient knowledge or information to form a belief as to the truthfulness of the allegations in Paragraph 95, and the allegations are therefore denied.

96. Federal Defendants lack sufficient knowledge or information to form a belief as to the truthfulness of the allegations in Paragraph 96, and the allegations are therefore denied.

97. Federal Defendants lack sufficient knowledge or information to form a belief as to the truthfulness of the allegations in Paragraph 97, and the allegations are therefore denied.

98. Federal Defendants lack sufficient knowledge or information to form a belief as to the truthfulness of the allegations in Paragraph 98, and the allegations are therefore denied.

99. Federal Defendants lack sufficient knowledge or information to form a belief as to the truthfulness of the allegations in Paragraph 99, and the allegations are therefore denied.

100. Federal Defendants admit that the OCS is a vital national resource reserve essential to the security of the United States and its energy independence, but deny the remaining allegations contained in Paragraph 100.

The remaining Paragraphs of Plaintiffs' First Supplemental and Amended Complaint constitute Plaintiffs' Prayer for Relief, which requires no response. To the extent a response is required, Federal Defendants deny that Plaintiffs are entitled to the relief requested or any relief whatsoever.

AFFIRMATIVE DEFENSES

- 1. One or more of Plaintiffs' claims are moot.
- 2. Plaintiffs lack standing to bring one or more of their claims.
- 3. The Court lacks subject matter jurisdiction over one or more of Plaintiffs' claims.

Respectfully submitted this 6th day of October, 2010.

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CERTIFICATE OF SERVICE

I hereby certify that on October 6, 2010, I caused a copy of the foregoing to be served

through the Court's CM/ECF System to all parties.

<u>s/ Kristofor R. Swanson</u> Kristofor R. Swanson