

**UNITED STATES DISTRICT COURT  
EASTERN DISTRICT OF LOUISIANA**

**HORNBECK OFFSHORE SERVICES,  
L.L.C.,**

**Plaintiff**

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**CIVIL ACTION NO. 10-1663(F)(2)**

**VERSUS**

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**SECTION "F"**

**KENNETH LEE "KEN" SALAZAR, IN HIS  
OFFICIAL CAPACITY AS SECRETARY,  
UNITED STATES DEPARTMENT OF  
INTERIOR; UNITED STATES  
DEPARTMENT OF INTERIOR;  
ROBERT "BOB" ABBEY, IN HIS OFFICIAL  
CAPACITY AS ACTING DIRECTOR,  
MINERALS MANAGEMENT SERVICE;  
AND MINERALS MANAGEMENT SERVICE,**

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**MAGISTRATE "2"**

**Defendants**

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**AFFIDAVIT**

**STATE OF LOUISIANA**

**PARISH OF LAFOURCHE**

**BEFORE ME, the undersigned authority, personally came and appeared**

**Dionne Chouest Austin**

who, after being duly sworn, deposed and stated as follows:

1. I am over 18 years of age and competent to execute this affidavit.
2. I am the General Counsel to various entities, including the Chouest Plaintiffs listed

herein, who are marketed under the trade name Edison Chouest Offshore (“Chouest”), and I execute this affidavit on the basis of my personal knowledge and my review of records maintained in the regular course of Chouest’s business.

3. The Chouest Plaintiffs in the above captioned matter consist of three groups:

- Martin Holdings, L.L.C., C-Port, L.L.C., C-Port 2, L.L.C., Offshore Support Services, L.L.C., Fourchon Heavy Lift, L.L.C., Clean Tank, L.L.C., Sea Fluids, L.L.C., and C-Innovation, L.L.C., are collectively referred to herein as the **“Chouest Shore Side Companies.”** The Chouest Shore Side Companies all perform various services to support and that are necessary for Gulf of Mexico OCS deepwater exploration and production.
- Alpha Marine Services, L.L.C., Nautical Solutions, L.L.C., Nautical Ventures, L.L.C. and Reel Pipe, L.L.C., are collectively referred to herein as the **“Chouest Vessel Companies.”** The Chouest Vessel Companies own and operate vessels that support Gulf of Mexico OCS deepwater exploration and production activities.
- North American Fabricators, L.L.C., North American Shipbuilding, L.L.C., Gulf Ship, L.L.C. and Tampa Ship, L.L.C., are collectively referred to herein as the **“Chouest Shipyard Companies.”** The Chouest Shipyard Companies construct vessels intended for Gulf of Mexico OCS deepwater operations, primarily for owners who have already placed them under long-term contracts with operators and/or charterers.

4. All of the Chouest Plaintiffs operate to support oil and gas exploration and production companies drilling in the Gulf of Mexico’s OCS either by providing Jones Act-compliant vessels specifically built and maintained to engage in the deepwater OCS Jones Act trade

or providing services and/or sale of products to the oil and gas companies engaged in Gulf of Mexico OCS deepwater drilling.

5. Upon information and belief, Port Fourchon, located in Lafourche Parish, Louisiana, is one of the largest deepwater oil ports in the nation, providing a home to the host of oil and gas companies and service companies required to successfully engage in Gulf of Mexico OCS deepwater drilling.
6. Chouest Shore Side Companies, with the exception of Plaintiff, C-Innovation, L.L.C., (which is located in St. Tammany Parish and provides remotely-operated vehicles “ROV’s” that are typically installed on vessels and/or rigs) are part of the Port Fourchon shore-based support network for successful Gulf of Mexico OCS deepwater drilling.
7. The Chouest Entities, including other of its affiliated and related companies, employ over 8,000 people, many of whom reside in Louisiana.
8. To conduct their business, Chouest Vessel Companies, typically contract with OCS oil and gas exploration and production companies under time charter agreements, which require them, for a given period of time, to provide vessels, as called for, to the exploration and production companies to assist in their drilling activities.
9. For example, as of April 20, 2010, the date of the Deepwater Horizon Incident, Chouest Shore Side Companies and Chouest Vessel Companies had numerous contracts (“Contracts”), including but not limited to master service agreements and time charter agreements, with at least eleven (11) different entities – all of which were directly affected by the Moratorium.
10. Many of the customers of the Chouest Shore Side Companies and Chouest Vessel Companies, hold permits, licenses, or interests (“Permittees”) that were affected by the

industry-wide suspension imposed by the Moratorium or have contracts directly with said Permittees.

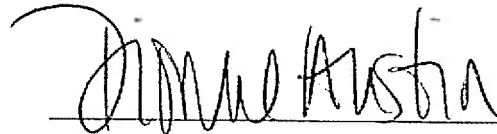
11. The effects of the Moratorium on the Gulf of Mexico OCS deepwater industry are real – there have been actual or threatened contract terminations and suspensions; deepwater rigs are pulling out of the Gulf to drill in international deepwater – and the industry is at, or at the very least, coming to a standstill. For example, without acknowledging the propriety or sufficiency thereof, Chouest has been notified by at least one of its clients, either in writing, verbally, or otherwise, of an intent to terminate, suspend, or cancel one or more of the Contracts and/or to renegotiate the Contracts at lower rates, ostensibly in lieu of termination, etc.
12. Given that Chouest Shore Side Companies businesses primarily depend on and were formed to support Gulf of Mexico OCS deepwater drilling, the Moratorium is harming Chouest Shore Side Companies businesses in ways that are irreparable. For example, in addition to the types of harm set forth in paragraph 11 and elsewhere and irrespective of whether any Contracts are sought to be terminated, cancelled or suspended, Chouest Shore Side Companies stand to lose incalculable revenue relating to the provisioning of dock-side services and sales in support of OCS deepwater drilling operations, including but not limited to those relating to storage, lifting, craneage, forklift operations, handling, welding, cutting, fueling, disposal, and all labor associated therewith, much of which relates directly to Permittees.
13. Chouest Vessel Companies perform services to support Gulf of Mexico deepwater exploration and production activities that may include the provision of crew boats, platform supply vessels and anchor-handling towing supply vessels that are chartered

under long-term contracts, one or more of which may be susceptible to termination, cancellation, or suspension efforts as a result of the Moratorium, which is not, however, to acknowledge the propriety of any such efforts.

14. Chouest Shipyard Companies are currently constructing vessels intended for Gulf of Mexico deepwater operations, primarily for owners who have already placed the vessels under long-term contracts with operators and/or charterers who may or are terminating these contracts as a result of the Moratorium and accordingly, the Moratorium will harm Chouest Shipyard Companies in ways that are irreparable. For example, at least one Chouest Shipyard Company has already delayed construction of a platform supply vessel ("PSV") as a result of the Moratorium.

15. It is exceedingly difficult, if not impossible, to accurately measure the monetary damages and opportunity costs the Chouest Entities will sustain if a preliminary injunction is not granted.

This 16<sup>th</sup> day of June, 2010.

  
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SWORN TO AND SUBSCRIBED BEFORE ME  
ON THIS 16<sup>th</sup> DAY OF JUNE, 2010.

  
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NOTARY PUBLIC

