

COPY

SEVENTEENTH JUDICIAL DISTRICT COURT
PARISH OF LAFOURCHE
STATE OF LOUISIANA

DOCKET NO. 139445

DIVISION _____

STATE OF LOUISIANA, through the DEPARTMENT OF NATURAL RESOURCES,
OFFICE OF CONSERVATION

v.

DIVISION A

LLOX, L.L.C., DEEPWELL ENERGY SERVICES, L.L.C., DEEPWELL EQUIPMENT
RENTALS, L.L.C., and DEEPWELL HOLDINGS, L.L.C.

FILED: _____

DEPUTY CLERK: _____

PETITION FOR DAMAGES

NOW INTO COURT, through undersigned counsel, comes the State of Louisiana, *ex rel.* Jeff Landry, Attorney General, through the Department of Natural Resources, Office of Conservation (herein "State" or "Conservation"), who respectfully petitions this Honorable Court for a judgment granting relief in favor of the State. On information and belief, the State makes the following allegations:

1.

The Plaintiff is:

The **State of Louisiana, Department of Natural Resources, Office of Conservation**, acting through Attorney General, Jeff Landry, who brings this action under La. Const. art. IX, sec. 1 and La. R.S. 30:1 *et seq.* The State is a juridical person, having its seat of government in East Baton Rouge Parish, State of Louisiana.

2.

The Plaintiff, under the above-cited legislation, is charged with the duty to protect, conserve, and replenish the natural resources of the State. The Attorney General, as chief legal officer of the State, is the primary trustee for bringing litigation to enable and enforce such protection, conservation, and replenishment.

3.

The state entity responsible for the regulation of oil and gas resources in Louisiana is the Office of Conservation, under the direction and leadership of by the Commissioner of

Conservation. *St. Tammany Parish Govt. v. Welsh*, 2015-1152 (La. App. 1 Cir. 3/9/16), 199 So.3d 3; *see also* La. R.S. 30:1-4.

4.

Jurisdiction is proper pursuant to La. C.C.P Art. 6 and La. R.S. 13:3201. Venue is proper in the Parish of Lafourche pursuant to, La. C.C.P. Arts. 74, 76, and 76.1.

THE DEFENDANTS

5.

LLOX, L.L.C. (herein "LLOX"), is a limited liability company having its principal place of business at 1001 Ochsner Boulevard, Suite 200, Covington, LA 70433.

6.

Deepwell Energy Services, L.L.C. (herein "Deepwell Energy"), is a limited liability company having: (1) its principal place of business at 4025 Highway 35, Columbia, MS 39429; (2) its principal business establishment in Louisiana at 222 Lexington Drive, Rayne, LA 70578; and (3) its registered office in Louisiana at 3867 Plaza Tower Dr., Baton Rouge, LA 70816.

7.

Deepwell Equipment Rentals, L.L.C (herein "Deepwell Rentals"), is a limited liability company having its principal place of business at 222 Lexington Drive, Rayne, LA 70578.

8.

Deepwell Holdings, L.L.C. (herein "Deepwell Holdings"), is a limited liability company having its principal place of business at 222 Lexington Drive, Rayne, LA 70578.

THE BLOW OUT

9.

Upon information and belief, on or about October 8 or 9, 2018, the Harang Well No. 3 in the Valentine Field blew out near the town of Lockport, Louisiana.

10.

The Harang Well No. 3 is an orphan well pursuant to La. R.S. 30:80 *et seq.* and pursuant to Conservation Order No. E-1 and E-070214.

11.

The Harang Well No. 3 was declared orphaned on March 20, 2008, as set forth in the *Louisiana Register*, Vol. 34, No. 03.

12.

The Harang Well No. 3 remained orphaned in September and October 2018, prior to, during, and after the blow out.

13.

LLOX was operating another well nearby, also in the Valentine Field.

14.

Deepwell Energy, Deepwell Rentals, and/or Deepwell Holdings (collectively referred to herein as "Deepwell") was working as a contractor on behalf of LLOX either just prior to or during the dates of the blowout.

15.

By October 10, 2018, LLOX, Deepwell, Wild Well Control, Inc., the Department of Natural Resources, the Lafourche Parish Sheriff's Office, the Louisiana State Police, Witt O'Brien's L.L.C., the United States Coast Guard, and the National Response Center had been notified of the Harang Well No. 3 blowout.

16.

A well that has blown out creates an immediate environmental threat to the health and safety of both the instant land area and to the public at large. A blown out well presents immediate threats of explosion, contamination of the surrounding land, water and groundwater, and widespread release of uncontrolled air pollutants, among other urgent safety concerns for onsite workers, surrounding landowners, and homeowners. As a result, immediate response is critical to minimizing damage to the environment, public health, and safety.

17.

Given the specific knowledge, resources, and expertise required to contain a blowout such as this one, the State was in a unique position to respond swiftly (though not mandated to do so), executed an Emergency Declaration under La. R.S. 30:6.1, and acted accordingly to protect the citizens of the State of Louisiana.

18.

Further, the State has an affirmative duty to protect the public from the harm of spewing natural resources, and to abate dangerous public nuisance issues within its jurisdiction.

EVENTS LEADING UP TO THE BLOW OUT

19.

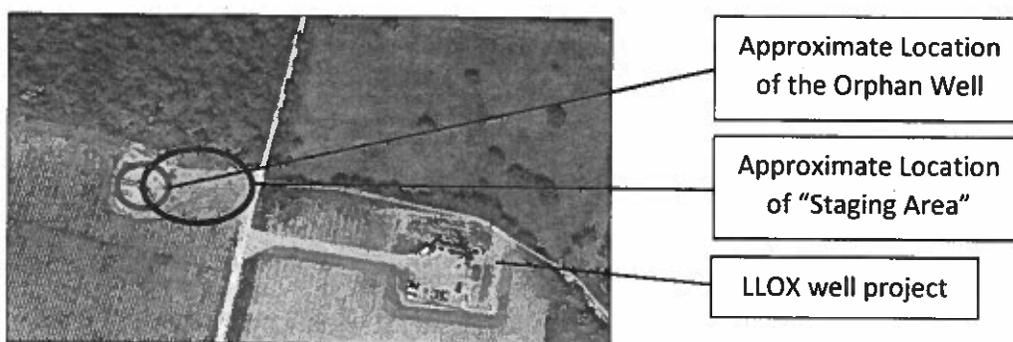
Prior to the blowout, Deepwell parked and operated its heavy equipment and machinery, including but not limited to a bulldozer, in the area near the Orphan Well.

20.

Deepwell used the area near the Orphan Well for parking, storage, staging purposes, and/or as a general makeshift staging area while it fulfilled its contractual obligations for LLOX.

21.

This “staging area” was generally located west-northwest and across a gravel or dirt road from the LLOX well, as indicated in this diagram:



22.

Upon information and belief, Deepwell did not have permission from any landowner to drive equipment on to or to otherwise use the staging area near the orphan well for any purpose.

23.

Upon information and belief, Deepwell did not stop or prevent its employees from using the staging area, despite its proximity to the orphan well.

24.

Upon information and belief, Deepwell did not fence off the orphan well during the time that its employees were operating heavy equipment in the staging area.

25.

Upon information and belief, after Deepwell’s contract with LLOX was completed, Deepwell continued to utilize the staging area to store, park, or otherwise operate heavy equipment and machinery.

26.

Deepwell operated its heavy equipment in the general area near the LLOX well at the Valentine Field during the months of September and October 2018.

27.

During this time, LLOX maintained a contractor or employee to oversee the operations at the Valentine field.

28.

The LLOX representative did not stop Deepwell from operating its heavy equipment in the staging area.

29.

The LLOX representative did not stop the project, despite Deepwell operating its heavy equipment in the staging area.

30.

Upon information and belief, Deepwell operated the bulldozer on or about October 8 or 9, 2018, in the staging area.

31.

Upon information and belief, Deepwell's operator struck the orphan well, causing it to blow out.

AFTER THE BLOWOUT

32.

On October 8 or 9, 2018, Deepwell reported the blowout to LLOX.

33.

LLOX, in turn, reported the blowout to Witt O'Brien's L.L.C.

34.

After being notified, Witt O'Brien's took charge of further notifications to proper state, local, and federal agencies, and began to implement an emergency protocol.

35.

The Office of Conservation has the authority to restore any orphaned oilfield site that poses a threat to the environment or safety. *See generally*, La. R.S. Title 30.

36.

The Department of Natural Resources responded to the emergency for the purposes of abating a public nuisance, to protect public health and safety, and to minimize damage to land and natural resources of the state. As a result, the State of Louisiana, through the Department of

Natural Resources, Office of Conservation, expended approximately two million dollars (\$2,000,000.00) for remediation.

37.

In responding to the well blowout, the Office of Conservation, and thus the people of Louisiana, has been financially harmed in expending funds at the fault of either Deepwell or LLOX, or both. *See* La. C.C. art. 2315(A) or 667.

38.

In order to discharge its obligations to protect public health and safety, and the natural resources of the State, Conservation is entitled to collect the costs expended to remediate the well and the property.

39.

Despite formal demands, neither LLOX nor Deepwell has remitted any payment to the Office of Conservation.

40.

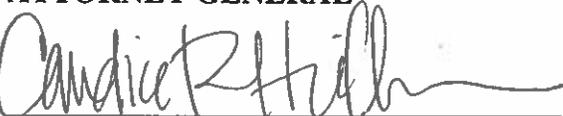
The amount is currently due and owing without any reliable good faith expression of forthcoming payment.

WHEREFORE, the State prays that a judgment be rendered in its favor directing Deepwell Energy Services, Deepwell Equipment, Deepwell Holdings, and/or LLOX to tender the amount necessary to make the Office of Conservation whole. The State also prays for attorneys' fees, court costs, or other expenses of litigation incurred to facilitate this action, and any other relief provided by law or in equity.

Respectfully submitted:

JEFF LANDRY
ATTORNEY GENERAL

By:



Candice Rodgers Hillman (34371)
Machelle R. L. Hall (31498)
Ryan M. Seidemann (28991)
Assistant Attorneys General
Civil Division/Lands & Natural Resources
Post Office Box 94005
Baton Rouge, LA 70804-9005
TEL: (225) 326-6085
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Attorneys for the State of Louisiana

PLEASE SERVE

LLOX, L.L.C.

1001 Oschner Boulevard, Suite 200
Covington, LA 70433

Deepwell Energy Services, L.L.C.,

through its registered agent,

CT Corporation System

3867 Plaza Tower Drive

Baton Rouge, LA 70816

Deepwell Equipment Rentals, L.L.C.

through its registered agent,

CT Corporation System

3867 Plaza Tower Drive

Baton Rouge, LA 70816

Deepwell Holdings, L.L.C.

through its registered agent,

CT Corporation System

3867 Plaza Tower Drive

Baton Rouge, LA 70816

FILED

OCT - 7 2019

S/Christie Morrison
CLERK OF COURT

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VERIFICATION AND CERTIFICATE OF SERVICE

STATE OF LOUISIANA

)

PARISH OF EAST BATON ROUGE

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

CANDICE R. HILLMAN

who, after first being duly sworn did depose and say:

That she is the attorney for the Applicants, the State of Louisiana, through the Office of Conservation, and that she prepared the foregoing Petition for Specific Performance, that all of the allegations in the foregoing Petition are true and correct to the best of her knowledge, information, and belief; and that sheriff's service of copies of this Petition and all exhibits attached hereto have been requested upon the following:

LLOX, L.L.C.
1001 Oschner Boulevard, Suite 200
Covington, LA 70433

DEEPWELL ENERGY SERVICES, L.L.C.,
through its registered agent,
CT Corporation System
3867 Plaza Tower Drive
Baton Rouge, LA 70816

DEEPWELL EQUIPMENT RENTALS, L.L.C.
through its registered agent,
CT Corporation System
3867 Plaza Tower Drive
Baton Rouge, LA 70816

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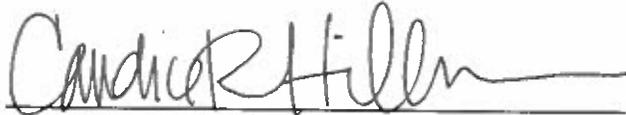
Candice R. Hillman further deposes and says:

That a copy of this Petition and all exhibits attached hereto have been sent to retained counsel:

Harold Flanagan
hflanagan@flanaganpartners.com
FLANAGAN PARTNERS, LLP
201 St. Charles Avenue, Suite 2405
New Orleans, LA 70170

And

Jerald P. Block
jpb@blocklawfirm.com
BLOCK LAW FIRM
421 East 1st Street
Thibodaux, LA 70301


CANDICE R. HILLMAN (La. Bar No. 34371)

SWORN AND SUBSCRIBED before me, Notary Public, on this 7th day of October, 2019.


NOTARY PUBLIC
RYAN M. SEIDEMANN
La. Bar Roll No. 28991
My commission expires at death.



RYAN M. SEIDEMANN
Notary Public
Notary ID No. 77139
East Baton Rouge Parish, Louisiana

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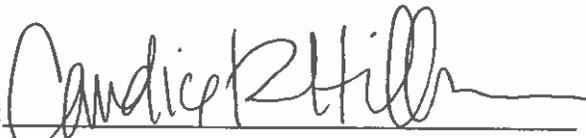
REQUEST FOR NOTICE

THE STATE OF LOUISIANA, through the Department of Natural Resources, Office of Conservation, respectfully requests written notice of the trial date, hearings (whether on the merits or otherwise), orders, judgments, and interlocutory decrees, and any and all other matters as provided in the Louisiana Civil Code articles 1572, 1913, and 1914.

Respectfully Submitted,

JEFF LANDRY
ATTORNEY GENERAL

By: _____



Candice Rodgers Hillman (Bar No. 34371)
Ryan M. Seidemann (Bar No. 28991)
Assistant Attorneys General
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Attorneys for the State of Louisiana

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OCT - 7 2019


CLERK OF COURT