

issued on or about July 12, 2010.

The State of Texas, its Governor, Rick Perry, and Commissioner of the Texas General Land Office, Jerry Patterson, allege that Defendants, in the aftermath of the April 20, 2010, Deepwater Horizon disaster and resulting oil spill, violated the APA and/or OCSLA in these particulars: (A) the Defendants have failed to comply with the mandate of OCSLA that affected States including Texas have an opportunity to participate in, and consult with reference to, the policy and planning decisions underlying the Deepwater Moratorium; (B) the Defendants acted arbitrarily and capriciously by failing to consider the grave economic impact on the State of Texas and its citizens; and (C) the Defendants, having issued a “blanket” or “global” moratorium, acted arbitrarily and capriciously and in a manner not authorized by or in accordance with, the Defendants’ authority and regulations.

PARTIES

1. Plaintiffs are the State of Texas, Rick Perry, Governor of Texas, and Jerry Patterson in his official capacity as Commissioner of the Texas General Land Office and Chair of the Texas Coastal Coordination Council, by and through Texas Attorney General, Greg Abbott. The western and central Gulf of Mexico, which includes offshore Texas, Louisiana, Mississippi, and Alabama, is one of the major petroleum-producing areas of the United States. The State of Texas is an “affected State” as defined in section 1331(f) of the OCSLA. 43 U.S.C. §§ 1331-1356a, 1801-1802.

2. Defendant, Kenneth Lee Salazar (Secretary Salazar), is sued in his official capacity as the Secretary of the United States Department of the Interior. Pursuant to the OCSLA, Secretary Salazar is the federal official ultimately responsible for the management and oversight of the leasing, exploration, and production of oil and gas on the Outer Continental Shelf (OCS) and for all official

actions or inactions of the Department of the Interior and the Bureau of Ocean Energy Management, Regulation, and Enforcement (BOEM), formerly known as the Minerals Management Service (MMS), challenged in this Complaint.

3. Defendant United States Department of the Interior is a department of the United States Government with supervisory and management responsibility over BOEM, formerly known as MMS, which, pursuant to the OCSLA, has responsibility for implementation and application of the federal laws, regulations, and policies at issue in this Complaint.

4. Defendant Michael Bromwich is sued in his official capacity as the Director of BOEM. Pursuant to the OCSLA and authority delegated by the Secretary of the Interior, Mr. Bromwich is the federal official responsible for the proper administration of, leasing, exploration, and production of oil and gas on the OCS.

5. Defendant Bureau of Ocean Energy Management, Regulation, and Enforcement is a bureau of the Department of Interior, and was formerly known as the MMS. Pursuant to the OCSLA, and authority delegated by the Secretary of the Interior, BOEM is responsible for managing the administration of leasing, exploration, development, and production of oil and gas on the OCS. Secretary Salazar, the Department of Interior, Mr. Bromwich, and the BOEM are collectively referred to herein as the "Defendants."

JURISDICTION AND VENUE

6. This Court has subject matter jurisdiction pursuant to both the APA and the OCSLA. APA, 5 U.S.C. §§ 702, 703 and 28 U.S.C. § 1331; OCSLA, 43 U.S.C. § 1349(a).

7. The APA waives sovereign immunity of the United States and its federal agencies for a challenge to final agency action that seeks relief other than monetary damages. 5 U.S.C. §§ 702-

704. It authorizes a court reviewing agency action to “hold unlawful and set aside final agency action, findings, and conclusions found to be . . . arbitrary, capricious, an abuse of discretion, or otherwise not in accordance with law.” 5 U.S.C. § 706(2). The Second Deepwater Moratorium and Notices to Lessees issued pursuant to OCSLA are subject to review under these provisions for compliance with the APA and with OCSLA and its implementing regulations.

8. Venue is proper in this district pursuant to 28 U.S.C. § 1391(e) and 43 U.S.C. § 1349(b).

9. Although the State of Texas believes it is unnecessary in this case, it has complied with 43 U.S.C. § 1349(a) (3) by notifying the appropriate persons of the alleged violations prior to filing suit.

STATUTORY BACKGROUND OF THE OCSLA

10. As interest in the commercial development of natural gas and oil increased in the 1940s, control over these resources became a major issue, especially in the offshore regions. The most prominent dispute was between the United States and the State of Texas over 2.5 million acres of submerged land in the Gulf of Mexico. Congress eventually resolved this Texas tidelands dispute in 1953 by passing the Submerged Lands Act (SLA), which established the federal government’s title to and ownership of submerged lands located on a majority of the continental margin. The Act gave each state jurisdiction over any natural resources within three (3) nautical miles (3.45 miles or 5.6 kilometers) of its coastline, except Texas and the western coast of Florida where the SLA extends each state’s Gulf of Mexico jurisdiction to nine (9) nautical miles (10.35 miles or 16.7 kilometers).

11. Passage of the SLA prepared the way for passage of the OCSLA, also in 1953. The OCSLA defined the OCS as any submerged land outside state jurisdiction and reaffirmed federal

jurisdiction over these waters and all resources they contain. Moreover, OCSLA outlined federal responsibilities for managing and maintaining offshore lands subject to environmental constraints and safety concerns. It authorized the Department of the Interior to lease the defined areas for development and to formulate applicable regulations as necessary.

12. The OCSLA instructs that states affected by decisions relating to the “exploration, development, and production of minerals in the Outer Continental Shelf” are “entitled to an opportunity to participate” in such policy and planning decisions. 43 U.S.C. § 1332(4). In the same vein, the OCSLA requires the Department of Interior to “cooperate with the relevant departments and agencies of the Federal Government and of the affected states” with respect to its “enforcement of safety, environmental, and conservation laws and regulations.” *Id.* at § 1334(a).

13. The Santa Barbara, California oil spill on January 29, 1969, led to the proposal of several amendments to the OCSLA, which were ultimately passed in 1978. Importantly, Congress explained that the purpose of the amendments was to:

(5) assure that States, and through States, local governments, have timely access to information regarding activities on the Outer Continental Shelf, and opportunity to review and comment on decisions relating to such activities, in order to anticipate, ameliorate, and plan for the impacts of such activities; [and]

(6) assure that States, and through States, local governments, which are directly affected by exploration, development, and production of oil and natural gas are provided an opportunity to participate in policy and planning decisions relating to management of the resources of the Outer Continental Shelf.

43 U.S.C. § 1802(5), (6).

14. Included in the 1978 Amendments to the OCSLA are numerous declarations about the importance of developing domestic sources of oil and gas to meet increasing demands while

reducing reliance on imports. *See* 43 U.S.C. § 1801. In its findings, Congress specifically noted that:

(11) [P]olicies, plans, and programs developed by States and local governments in response to activities on the Outer Continental Shelf cannot anticipate and ameliorate such adverse impacts unless such States, working in close cooperation with affected local governments, are provided with timely access to information regarding activities on the Outer Continental Shelf and an opportunity to review and comment on decisions relating to such activities....

43 U.S.C. § 1801(11).

15. The judicial review provisions of the OCSLA provide:

[A]ny person having a valid legal interest which is or may be adversely affected may commence a civil action on his own behalf to compel compliance with this subchapter against any person, including the United States, and any other government instrumentality or agency (to the extent permitted by the eleventh amendment to the Constitution) for any alleged violation of any provision of this subchapter or any regulation promulgated under this subchapter, or of the terms of any permit or lease issued by the Secretary under this subchapter.

43 U.S.C. § 1349.

FACTUAL BACKGROUND

16. On April 20, 2010, a well blowout and ensuing explosion occurred on the offshore drilling rig Deepwater Horizon while engaged in operations on the BP Macondo well in the Gulf of Mexico, resulting in an oil spill emanating from the well located under 5,000 feet of water on the OCS.

17. On April 26, 2010, in response to the incident, Secretary Salazar directed all BOEM inspectors in the Gulf of Mexico to perform a “thorough, complete inspection” of the 29 deepwater drilling rigs with blowout preventer stacks that were then operating in the Gulf of Mexico.

18. On April 30, 2010, President Obama directed Secretary Salazar to conduct a review of the Deepwater Horizon incident and to issue a report within 30 days on “what, if any, additional precautions and technologies should be required to improve the safety of oil and gas exploration and production operations on the outer continental shelf.”

19. On May 6, 2010, and without notice to, or prior consultation with the State of Texas, Secretary Salazar directed the BOEM to stop issuing permits to drill new wells pending the Department of Interior’s completion of the 30-day safety review. Secretary Salazar also directed the BOEM to suspend permits issued after the Incident with respect to wells on which drilling had not yet begun as of May 6, 2010.

20. On May 27, 2010, in accordance with President Obama's April 30th directive, Secretary Salazar issued a report entitled “Increased Safety Measures for Energy Development on the Outer Continental Shelf” (Safety Report). The Safety Report “identif[ied] an initial set of safety measures that can and will be implemented as soon as practicable to improve the safety of offshore oil and gas development.” *See* Safety Report at 1. The Safety Report includes a three-page Executive Summary written by Secretary Salazar that was added after the body of the Safety Report was completed.

21. The Safety Report noted that “the 30 day-review has been conducted without the benefit of the findings from the ongoing investigations into the root causes of the explosions and fire on the Deepwater Horizon and the resulting oil spill . . . including if there were any violations of existing safety or construction laws, gross negligence, or willful misconduct.” *See* Safety Report, Executive Summary at 3. The Department of Interior stated that “this report does not speculate as to the possible causes of the BP Oil Spill.” *See* Safety Report at 1.

22. The purpose of the Safety Report was to identify and recommend potential safety enhancements for offshore rigs. The Safety Report did not assess how to implement those safety measures, how long they would take to implement, or whether any type of moratorium — or some alternative short of a moratorium — was necessary. Indeed, there is no mention at all of any sort of moratorium in the body of the Safety Report. Nor did the Safety Report purport to evaluate the safety conditions with respect to any individual deepwater rig operating in the Gulf of Mexico.

23. Nevertheless, Secretary Salazar, in the Executive Summary, recommended an “immediate halt to drilling operations on all 33 permitted wells, not including relief wells currently being drilled by BP, that are currently being drilled using floating rigs in the Gulf of Mexico” to “allow for implementation of the measures proposed in [the Safety Report].” *See* Safety Report, Executive Summary at 2. The Secretary instructed that “[d]rilling operations should cease as soon as practicable for a six-month period.” *Id.* at 2-3, 32.

24. On May 28, 2010, and without notice to, or prior consultation with the State of Texas and without any attempt to solicit or consider essential and relevant input from Texas or, on information and belief, any other affected State or its Governor, Secretary Salazar issued a one-page memorandum to the Director of the BOEM (First Deepwater Moratorium Memorandum) directing a “six-month suspension of all pending, current, or approved offshore drilling operations of new deepwater wells in the Gulf of Mexico and the Pacific regions,” with the exception of drilling operations necessary to conduct emergency activities.

25. On May 30, 2010, and without notice to, or prior consultation with the State of Texas and without any attempt to solicit or consider essential and relevant input from Texas or, on information and belief, any other affected State or its Governor, BOEM issued a document entitled

“Notice to Lessees and Operators of Federal Oil and Gas Leases in the OCS Regions of the Gulf of Mexico and the Pacific to Implement the Directive to Impose a Moratorium on All Drilling of Deepwater Wells, NTL No. 2010-N04” (NTL-4). NTL-4 was the first in a series of notices implementing Defendants’ policy and planning decisions.¹

26. NTL-4 directed lessees and operators “to cease drilling all new deepwater wells” and to refrain from “spudding any new deepwater wells” during the Deepwater Moratorium. *See* NTL-04 at 1. It also notified lessees and operators that the BOEM would not issue any permits for deepwater drilling for six months. However, NTL-4 did not apply to activities related to existing, producing deepwater wells, nor to certain deepwater drilling and associated operations in support of such production activities. *Id.* at 2-3. Nor did NTL-4 apply to deepwater “completion operations” which includes “the work conducted to establish the production of a well after the production-casing, string has been set, cemented, and pressure tested.” *Id.* at 2; 30 C.F.R. § 250.501.2 NTL-4 defines “deepwater” as “depths greater than 500 feet.” *Id.*

27. Like the First Deepwater Moratorium Memorandum, NTL-4 stated that the Deepwater Moratorium is based on “the recommendations in the Report and the authority of 30 C.F.R. § 250.172.” NTL-4 did not set forth any additional facts in support of the decision to impose the Deepwater Moratorium. NTL-4 advises that the Regional Supervisor for Production and Development “will issue (Suspensions of Operations) SOOs to all OCS Lessees and Operators currently drilling or proposing to drill new deepwater wells covered by this Moratorium NTL.”

28. On June 22, 2010, the United States District Court for the Eastern District of

¹ NTL-4 and subsequent notices, NTL-5 and NTL-6, were issued without prior notice to, or input from the State of Texas.

Louisiana issued an injunction enjoining enforcement of the First Deepwater Moratorium Memorandum. Later that same afternoon, and again without notice to, or prior consultation with the State of Texas and without any attempt to solicit or consider essential and relevant input from the State of Texas or, on information and belief, any other affected State, Secretary Salazar announced that he would “issue a new order in the coming days that eliminates any doubt that a moratorium is needed, appropriate, and within our authorities.” Press Release, U.S. Dep’t of the Interior, Secretary Salazar’s Statement Regarding the Moratorium on Deepwater Drilling (June 22, 2010), <http://www.doi.gov/news/pressreleases/Secretary-Salazars-Statement-Regarding-the-Moratorium-on-Deepwater-Drilling.cfm>.

29. On July 12, 2010, without notice to, or prior consultation with the State of Texas or Governor Perry or Commissioner Patterson and without any attempt to solicit or consider essential and relevant input from the State of Texas or, on information and belief, any other affected State, Secretary Salazar issued a new Decision Memorandum ordering the suspension of certain offshore drilling activities (Second Deepwater Moratorium Memorandum). The Defendants purportedly withdrew the First Deepwater Moratorium Memorandum and issued the Second Deepwater Moratorium Memorandum in its place.²

30. The Second Deepwater Moratorium is in material respects the same as the original Deepwater Moratorium. For example:

- * The Second Deepwater Moratorium has essentially the same end date (November 30, 2010) as the First Deepwater Moratorium Memorandum.

² See Federal Defendants’ Opening Brief at 4, 10, 13, 20, *Hornbeck Offshore Servs. LLC. v. Salazar*; No. 10-30585 (5th Cir. July 23, 2010).

- * Both moratoria have the same exceptions and do not apply, for example, to production activities, completion work, emergency activities, or abandonment operations.
- * Both moratoria order a cessation of both drilling operations (with certain exceptions) and the approval by the BOEM of pending or new applications to drill.
- * The difference in the manner in which deepwater drilling was defined in the two moratoria is a distinction without a difference. The original Deepwater Moratorium applied to drilling in water depths greater than 500 feet, while the second applies to drilling using certain equipment only used in depths of more than 500 feet—namely, (1) rigs using subsea blowout preventers (BOPs) and (2) floating rigs (as opposed to “jack-up” or other types of rigs that rest on the sea floor while engaged in drilling or related activities) using surface BOPs.

31. In 2007, federal leases in the western and central Gulf of Mexico produced 25% of the nation’s oil and 14% of the nation’s natural gas.³ In 2008, federal leases in the Gulf of Mexico produced 418 million barrels of oil. Due to new deep-water discoveries, in 2009 the Minerals Management Service projected that oil production from the Gulf of Mexico would increase to 686 million barrels per year by 2013.⁴

32. Texas has the second largest economy in the United States and the 15th largest economy in the world. Texas refines more oil than any other state. The six-month moratorium is estimated to result in a loss of \$622 million in Gross State Product to Texas alone.⁵ The moratorium is anticipated to result in a loss of more than \$22 million to Texas in state and local tax revenues.⁶

³ US Minerals Management Service, May 2009, Deepwater Gulf of Mexico 2009: Interim Report of 2008 highlights, OCS Report MMS-2009-016.

⁴ US Minerals Management Service, May 2009, Gulf of Mexico Oil and Gas Production Forecast: 09-2018, OCS Report MMS 2009-012.

⁵ *The Economic Cost of a Moratorium on Offshore Oil and Gas Exploration to the Gulf Region* p. 11, July 2010, Joseph R. Mason, PhD.

⁶ *Id.* at 14.

Additionally, the moratorium jeopardizes the payment of royalties currently received by the State of Texas which totaled more than \$12 million in FY2009.⁷

CLAIMS

Count I

33. The APA authorizes courts to “hold unlawful and set aside final agency action, findings, and conclusions found to be . . . arbitrary, capricious, an abuse of discretion, or otherwise not in accordance with law.” 5 U.S.C. § 706(2)(A).

34. To comply with the APA “the agency must examine the relevant data and articulate a satisfactory explanation for its action including a rational connection between the facts found and the choice made.” *Motor Vehicle Mfrs. Ass’n v. State Farm Mut. Auto. Ins. Co.*, 463 U.S. 29, 43 (1983). “Normally, an agency rule would be arbitrary and capricious if the agency has relied on factors which Congress has not intended it to consider, entirely failed to consider an important aspect of the problem, [or] offered an explanation for its decision that runs counter to the evidence before the agency” *Id.*

35. Defendants’ actions in imposing and implementing the Deepwater Moratorium, including the issuance of the First and Second Deepwater Moratorium Memoranda and subsequent and related Notices to Lessees, were arbitrary, capricious, and an abuse of discretion, and were not in accordance with the OCSLA. Defendants failed to properly consider and weigh the grave economic harm that will result to the State of Texas and other affected states in issuing a six-month moratorium on offshore drilling under the OCSLA.

⁷ 2009 State of Texas Annual Cash Report, pp. 119 and 131.

36. The OCSLA clearly requires Secretary Salazar to weigh the economic impact of any moratorium, mindful of the imperative need to develop oil and gas production. It in no way absolves Secretary Salazar from considering economic factors when suspending leases. 43 U.S.C. §§ 1801-1802, 1332(c), *et seq.*; *see, e.g. State of Tex. v. Sec’y of Interior*, 580 F. Supp. 1197, 1203 (E.D. Tex. 1984); *Conservation Law Found. v. Watt*, 560 F. Supp. 561, 578-79 (D. Mass. 1983). Yet the Defendants steadfastly refute such obligation.⁸ The Defendants’ refusal to acknowledge a duty to consider the grave economic impact of the Deepwater Moratorium on the State of Texas and other affected States constitutes an abuse of discretion and resulted in an arbitrary or capricious decision.

37. Any actions taken by the Defendants with respect to management of the OCS must be taken “in a manner which considers economic, social, and environmental values of the renewable and nonrenewable resources contained in the outer Continental Shelf.” 43 U.S.C. § 1344(a)(1); *see also id.* at § 1332(3). Defendants failed to do so. Although the Safety Report itself notes that “[o]ffshore drilling operations provide direct employment estimated at 150,000 jobs,” neither the Safety Report, the First or Second Deepwater Moratorium Memoranda, nor any related Notices to Lessees reflect consideration and balance of the potentially devastating economic impact of the Deepwater Moratorium on the domestic offshore oil and gas service industries, the Gulf Coast, and its citizens against the need to address the safety concerns addressed in the Safety Report.

38. In their Opening Brief to the court of appeals, Defendants assert that Hornbeck Offshore Services is not within the zone of interests protected by OCSLA because “all of their allegations of harm are purely economic in nature and the lease-suspension provision of OCSLA is

⁸ *See* Federal Defendants’ Opening Brief at 14, *Hornbeck Offshore Servs. LLC v. Salazar*, No. 10-30585 (5th Cir. July 23, 2010).

an environmental protection provision that Congress has written to focus on public health and safety rather than economic interests.”⁹ Having mischaracterized the complete suspension of drilling operations on the OCS as purely an environmental issue, thereby ignoring all legitimate economic, social and cultural interests and concerns of the State of Texas and other affected States, the Defendants plainly failed to consider mandatory factors in direct violation of the APA and OCSLA.

Count II

39. An order may also be reversed or invalidated if it is made “without observance of procedure required by law.” 5 U.S.C. § 706(2)(D). If a statute requires an agency to take some action at the administrative level and the agency fails to take the action, the reviewing court may reverse and remand the agency’s order. *Gerber v. Norton*, 294 F.3d 173 (D.C. Cir. 2002).

40. During the decision-making process that preceded the Deepwater Moratorium Memoranda of May 6, 2010, and July 12, 2010, Defendants failed to consult with Texas or, on information and belief, any of the other affected States as defined under the OCSLA. The OCSLA instructs that states affected by decisions relating to the “exploration, development, and production of minerals in the outer Continental Shelf” are “entitled to an opportunity to participate” in such policy and planning decisions. *See* 43 U.S.C. § 1332(4). In the same vein, the OCSLA requires the Department of Interior to “cooperate with the relevant departments and agencies of the Federal Government and of the affected States” with respect to its “enforcement of safety, environmental, and conservation laws and regulations.” *Id.* at § 1334(a); *see also* 43 U.S.C. §§ 1801(11), 1802(5) &

⁹ *See* Federal Defendants’ Opening Brief at 14, *Hornbeck Offshore Servs. LLC v. Salazar*; No. 10-30585 (5th Cir. July 23, 2010).

(6). Because the affected States, including the State of Texas, which bear the brunt of harm inflicted by the Deepwater Moratorium were not consulted in connection with Defendants' decision to impose a moratorium—a decision that has already caused the Gulf Coast States to suffer significant economic harm—Defendants' imposition of the Deepwater Moratorium was in violation of the OCSLA.

41. Moreover, because Congress recognized that exploration, development, and production of the minerals of the OCS will have significant impacts on coastal and non-coastal areas of the affected States, and on other affected States, and, in recognition of the national interest in the effective management of the marine, coastal, and human environments, it commanded that the State of Texas be afforded an opportunity to participate in the policy and planning decisions made by the federal government relating to exploration for, and development and production of, minerals of the OCS. 43 U.S.C § 1332. Having issued the Deepwater Moratorium Decision Memoranda of May 6, 2010 and July 12, 2010—policy and planning decisions —without providing the State of Texas or Governor Perry or Commissioner Patterson an opportunity to participate in the decision, the Defendants' decisions were made, announced and enforced without observance of procedure required by law and should be reversed.

Count III

42. The OCSLA authorizes Secretary Salazar to prescribe regulations “for the suspension or temporary prohibition of any operation or activity, including production, pursuant to any lease or permit . . . (B) if there is a threat of serious, irreparable, or immediate harm or damage to life (including fish and other aquatic life), to property, to any mineral deposits (in areas leased or not

leased), or to the marine, coastal, or human environment” 43 U.S.C. § 1334 (a)(1)(B). Issuance of a “blanket” or “global” moratorium exceeds the authority and discretion granted to Defendants and was arbitrary, capricious and an abuse of discretion.

43. Defendants issued the Deepwater Moratorium in violation of the Department of Interior’s regulations that require suspensions to be issued on an individual, case-by-case basis. The OCSLA’s implementing regulations permit the issuance of a Suspension of Operation (SOO) “[w]hen activities pose a threat of serious, irreparable, or immediate harm or damages.” 30 C.F.R. § 250.172(b). They may also be issued “[w]hen necessary for the installation of safety or environmental protection equipment[.]” *Id.* at § 250.172(c). In either case, a SOO may be issued only with respect to an individual “lease or unit area.” *Id.* at § 250.168(a). The duration of any suspension must be “based on the conditions of the individual case involved.” *Id.* at § 250.170(a). Nothing in the inspection reports revealed any issues with most of the rigs operating in the Gulf of Mexico. Neither the Safety Report, the First or Second Deepwater Moratorium Memoranda, nor and subsequent and related Notices to Lessees include any empirical data or factual findings specific to any individual rigs or leaseholders. Instead, Defendants treated all affected rigs alike and imposed a blanket moratorium that applies equally to all such rigs, without any regard to the individualized risks (or lack thereof) posed by each. That action was arbitrary and capricious and not in accordance with the Department of Interior’s regulations. Issuance of a “blanket” or “global” moratorium was arbitrary and capricious as it was not authorized by, or consistent with the Defendants’ authority and regulations.

RELIEF REQUESTED

WHEREFORE, the State of Texas, Governor Rick Perry, and Commissioner Jerry Patterson

respectfully request that after notice and due proceedings, this Honorable Court grant the following relief:

1. An Order directing that the July 12, 2010, Deepwater Moratorium Memorandum be reversed and remanded to the Secretary of the Interior;
2. An Order declaring that Defendants' actions in imposing and implementing the Deepwater Moratorium, including the issuance of the First and Second Deepwater Moratorium Memoranda and subsequent, related Notices to Lessees, were arbitrary, capricious, and an abuse of discretion, and were not issued in accordance with OCSLA;
3. An Order declaring that the Defendants' actions in failing to consult and cooperate directly with the State of Texas, by and through its Governor, Rick Perry, and Jerry Patterson, Commissioner of the Texas General Land Office, prior to issuance of the May 6, 2010, and July 12, 2010 Deepwater Moratoria constituted violations of the procedural requirements of the OCSLA and, therefore, Secretary Salazar's Decision Memorandum of July 12, 2010; and its predecessor, if deemed to be in effect, are reversed and remanded;
4. An Order declaring that issuance of the Deepwater Moratorium Memoranda of May 6, 2010, and July 12, 2010, constituted actions taken by the Defendants with respect to management of the OCS and, as such, the Defendants breached their duty to consult with the State of Texas and to give meaningful consideration of the economic, social, and environmental values of the renewable and nonrenewable resources contained in the OCS and, therefore, the Deepwater Moratorium Memoranda is reversed and remanded;
5. An Order granting permanent and, as appropriate, preliminary relief enjoining Defendants from enforcing the Deepwater Moratorium Memoranda of May 6, 2010, and July 12, 2010, in whole or in part;
6. An Order declaring that unless and until the State of Texas, by and through the Governor of Texas and the Texas General Land Office, is provided a reasonable opportunity to participate in the formulation of the policy and due consideration is given to economic, social, and environmental values of the renewable and nonrenewable resources contained in the OCS, Defendants may not re-issue or enforce a Deepwater Moratorium regarding the suspension or restriction of drilling activities on the Outer Continental Shelf; and
7. An Order granting the State of Texas, Governor Rick Perry, and Jerry Patterson in his official capacity as Commissioner of the Texas General Land Office and Chair of the

Texas Coastal Coordination Council State of Texas such further relief as the Court deems just, proper, and equitable.

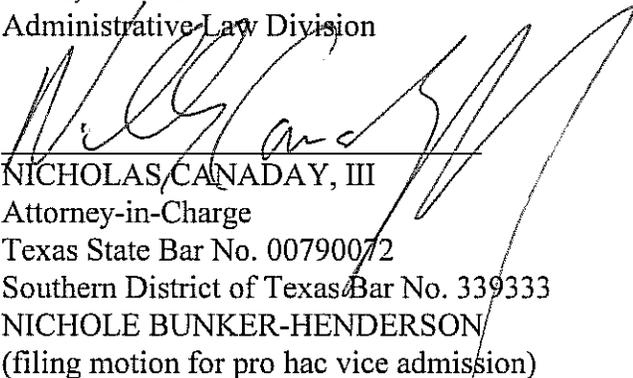
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