

A lot has happened since our last newsletter. After months of containment and cleanup efforts in the BP oil spill, work is beginning to wind down. In the meantime, drilling activity in the VPC continues at a steady pace.

In mid-September, BP officially confirmed that well kill operations in the Gulf of Mexico were completed, marking the final step in eliminating the threat to the Gulf. While clean up efforts are still underway, the VPC has been actively working with government officials, agency representatives and BP throughout the process. I am happy to report that we are seeing positive results, and the work is steadily diminishing.

Despite the oil spill, drilling and construction activities remain ongoing in the Gulf, proving that energy production remains a driving economic engine for our region.

We received good news on October 12th, when Interior Secretary Ken Salazar announced the federal government lifted the ban on deep-water drilling in the Gulf of Mexico. The new rules and requirements take effect immediately and we hope to see a swift return to new drilling in the Gulf.

We, along with newly re-elected Parish President Billy Nungesser, recently began a new push to support the Deep Gas initiative proposed by Greater New Orleans, Inc. (GNO, Inc.), an economic development group.

GNO, Inc. helped write legislation that would bring in more deep-drilling business by having the State of Louisiana offer incentives in the form of royalty reduction for drilling below 15,000 feet in state waters.

The Bureau of Energy Management, Regulation and Enforcement (BOEMRE) recently issued an initiative that would require operators to plug wells that have been inactive for the past five years. This requires production platforms and pipelines to be decommissioned if they are not being used for exploration or production. The VPC is an ideal location to conduct these operations and we welcome the construction that comes along with it.

Finally, I'd like to welcome Apache Corporation to Site 33 at the VPC. A major independent energy company in the Gulf, Apache explores for, develops and produces natural gas, crude oil and natural gas liquids. We are delighted to have them join us here at the VPC, where we pride ourselves on being at the forefront of providing services to the energy industry.

Please take some time and continue reading through our newsletter, which highlights all of the exciting events going on at the VPC.

Sincerely,

George Pivach II  
*Vice President and General Counsel*



Please visit the VPC Website at [www.veniceportcomplex.com](http://www.veniceportcomplex.com)

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## INDUSTRY UPDATES

### Production Management Industries, LLC



Production Management Industries, LLC (PMI) began operating in 1971 as a contract production labor company. PMI's Environmental Services Group, which was introduced in 1997, consists of three major divisions - Dockside Cleaning Services, Offshore Cleaning Services and Technical Services. While headquartered in Morgan City, PMI operates shorebase facilities in Venice and Fourchon for prompt response to their customers' needs. Other operating locations include Harvey and various temporary jobsites throughout Louisiana and Texas.

The oil and gas industry began moving in a new direction that was more environmentally sensitive in the late 1990s. During this time, one of PMI's major HSE initiatives was to develop innovative technology that would remove its employees from the hazardous atmospheres of oil and gas industry-related confined space entries while cleaning production equipment and drilling mud tanks.

In 1998, PMI unveiled a patented on-line production vessel cleaning system called VICTA®. This system allows cleaning of production sands and solids from vessels not only without manned entry but without the facility operator shutting in a well or field flowing into the platform.

Superior Energy Services acquired PMI in 1999, realizing that an environmental group fit their long-range strategic plan. Superior Energy later divested the construction and contract operating divisions of PMI in 2003 and 2007 respectively.

In 2007, PMI continued its initiative to remove employees from confined spaces by introducing automated drilling mud tank cleaning on marine supply vessels. PMI's process not

only reduces entry time, it reduces port time (or downtime) for marine fleets and wash water utilized in cleaning the tanks — making a considerable environmental impact. To date, VICTA® remains the most innovative and successful process for cleaning drilling mud tanks in the industry.

Both the Dockside and Offshore Cleaning Services divisions stage equipment at their new shorebase located at 351 McDermott Road to provide prompt response and reduce trucking charges to transport offshore cleaning equipment locally versus trucking it in from other locales.

PMI's third division — the Technical Services Group — provides land remediation and restoration services and is an industry leader when it comes to NORM (Naturally Occurring Radioactive Material) contamination removal. Among its largest projects was the facility decommissioning and soil remediation at the Venice Dome as well as closing a large operator's Venice shorebase. PMI is currently working on pit closures in Coquille Bay, thus restoring the area to its original condition.

Having a long-term presence in Venice, PMI was among the first companies to return to Venice after the devastation from Hurricane Katrina. PMI is recognized as one of the leaders in the environmental industry and has long-range plans to continue supporting our customers out of the Venice Port Complex.

For more information on PMI, visit: [www.pmi.net](http://www.pmi.net) or call 1-888-229-3837.



### Grand Isle Shipyard, Inc.

The Grand Isle Shipyard, Inc. (GIS) has been in business since 1948. They offer a wide variety of services, including: Fabrication and Dockside services, Environmental Cleaning, Safety & Training, Construction & Maintenance Crews, Instrumentation & Electrical Division, Scaffolding Crews, Project Management, Offshore Production Operators, Basket Rentals and much more.

The GIS Venice facility offers a full selection of quality heavy lift equipment at competitive rates. With a 200 Ton 777 Manitowoc Crawler Crane and 80 ton crane, they are equipped to handle industrial load-out needs. They also have 36,000 lb and 8,000 lb capacity forklifts for optimal yard mobility. GIS looks forward to serving Venice for all production & drilling operations, compressor load outs, tubular load outs, and many other services tailored to the Oil & Gas industry.

Our new expanded Venice dockside facility is located at



310 McDermott Road and covers approximately 8 acres located on Slip #2. The GIS Venice facility boasts 700 feet of bulkhead. Their facility offers secure parking for up to 250 vehicles, an open yard configuration, ample storage with on-site lube, fuel and water.

For more information call 504-534-7744, or visit [gisys.com](http://gisys.com).

## Madere & Sons Towing

It all began in 1982. Al Madere built his first lugger tugboat, the M/V Captain Hebert and established Madere Inc., a marine towing business with the motto "You Call, We Haul." The company began with Al as the captain, one deckhand and his wife Cathy keeping the books. Business was steady until the oil industry took a severe plunge in production in 1983. The Captain Hebert and most tugs across southeast Louisiana remained tied up for weeks at a time, with little work available. Times were tough. Madere Inc. relied on local brokers for jobs, but with few job opportunities and a plentiful supply of tugs available for hire, the industry was indeed competitive. During those difficult times, no jobs were turned down no matter how foggy or challenging the task.

Over time, customers noticed and appreciated this work ethic, and Madere Inc. saw the need to expand. In 1997, Al partnered with his sons, Chad and Gene, to create a new business: Madere & Sons Towing. With the new business came additional tugs and services. Madere & Sons Towing now owns and operates seven tugboats; the Captain Hebert, Lady Josie, Master Dylan, Master Tyler, Master Landin, Miss Alene and the Master Myles. In addition to towing services such as rig moving, rig tending and construction related jobs, all of the vessels are capable of transferring potable water and diesel fuel and have an ample amount of deck space for equipment transport. Madere and Sons Towing also offers a full line of barge rentals, including water barges, spud barges, deck barges and shale barges. The Maderes take a hands-on approach in all aspects of the business from maintenance to job consulting in order to accommodate the need of any customer in the oil industry.

With the increase in tugs and services available, Madere & Sons Towing needed to increase the number of captains and deckhands they employ. Al, Chad and Gene always endeavor to hire experienced, licensed crew members who take pride in their job, work to keep the vessels and equipment in top notch condition, and have a work ethic similar to the Maderes. Currently, there are more than 20 employees, many of whom have worked for the Maderes for over 10 years. Madere & Sons Towing's key to keeping great employees is paying them a competitive salary, offering premium health insurance, but most of all treating them like family...which is how Al started the business in 1982 and continues to run it today... "a family business."

For more information on Madere & Sons Towing,  
call 504-657-8283  
or visit [www.maderetowing.com](http://www.maderetowing.com)



## New Boothville-Venice Fire Department Dedicated



Plaquemines Parish firefighters recently cut the ribbons on two new state-of-the-art fire stations in Port Sulphur and Venice. Plans are underway for an open house celebration to dedicate the new Boothville-Venice fire house to past chiefs Earl Hahnebohm and Ernest "Noonie" Bourgeois. Look for more information on this event in the future.

The Boothville-Venice area, which includes the Venice Port Complex, is protected by a 25-member fire department made up of both paid and volunteer firemen. The six paid, full-time firemen are trained and certified by LSU in the following: Firefighter I, Firefighter II, First Responder, Haz Mat Awareness, Haz Mat Operations and Driver Operator.

All firemen are equipped with new Bunker gear and extrication suits, while the firehouse holds in house hose testers, compressors to fill safe breathing air tanks and confined space rescue equipment. The new fire station includes backup generators and is elevated to protect against future storms.

In addition, trucks are outfitted with a 77 foot ladder, a 65 foot squirt, a hose tender and three pumpers. One mini pumper is set up as a first responder with extrication and EMS equipment.

During an emergency, always call 911. However, for non-emergencies, the fire department can be reached at 504-534-2222.



# Infrastructure and Future Development

While most of the attention is now on the cleanup effort in the Gulf, we at the VPC are also focused on long-term projects and maintenance. The deepening of Baptiste Collette Bayou from 15 feet to a depth of 26 feet is still on track and will greatly improve transportation for the oil and gas industry in and out of the eastern Gulf of Mexico. Phase II of the raising of Tidewater Road to 5 +MSL is scheduled to begin in the 4th Quarter of 2010.

The VPC also has undeveloped sites available for ground lease, or we can build to suit. If your business is looking to expand or relocate, please contact George Pivach, II for more information on one of the most strategic sites on the Gulf of Mexico. He can be reached at 504-392-1830 or e-mail [gpivach@veniceportcomplex.com](mailto:gpivach@veniceportcomplex.com).

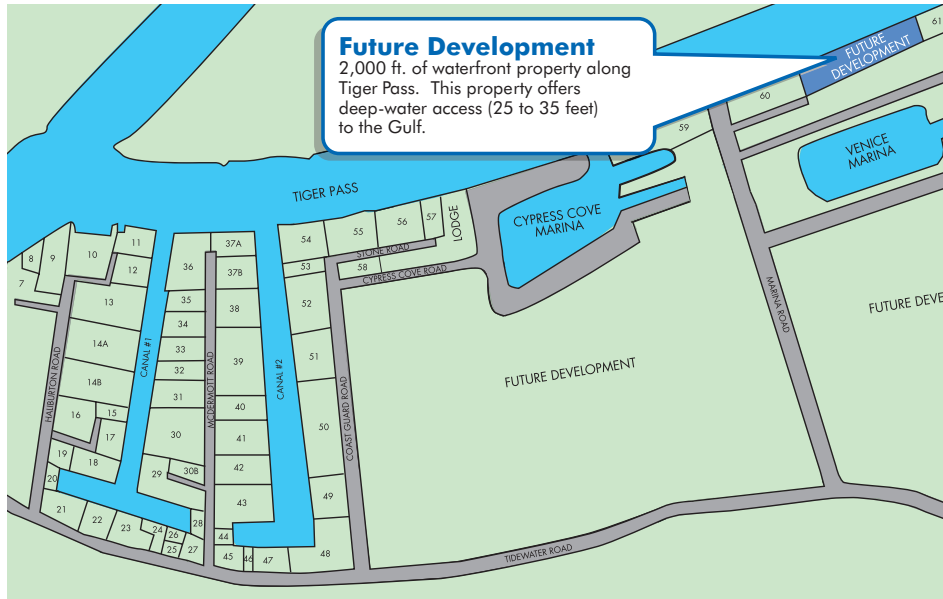


photo courtesy of L&L Oil and Gas Services

The Venice Port Complex Report will be published quarterly. If you have any updates or news that you would like to contribute, please contact George Pivach II at 504-392-1830 or [gpivach@veniceportcomplex.com](mailto:gpivach@veniceportcomplex.com) [www.veniceportcomplex.com](http://www.veniceportcomplex.com)

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