

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF TEXAS
HOUSTON DIVISION

CHEVRON U.S.A. INC.

Plaintiff,

v.

QIANG ZHOU

Defendant
and

MAXWELL DYNAMICS, INC.

Defendant.

§
§
§ CIVIL ACTION NO. _____
§
§
§
§
§
§
§
§
§
§
§
§

**CHEVRON U.S.A. INC.’S EMERGENCY APPLICATION FOR TEMPORARY
RESTRAINING ORDER AND PRELIMINARY INJUNCTION, AND ORIGINAL
VERIFIED COMPLAINT**

Plaintiff Chevron U.S.A. Inc. (“Chevron”) files this Emergency Application for Temporary Restraining Order and Original Complaint against Defendant Qiang (John Q.) Zhou (“Zhou”) and Maxwell Dynamics, Inc. (“Maxwell”) and in support thereof shows as follows:

PARTIES

1. Plaintiff Chevron U.S.A. Inc. is incorporated in Pennsylvania with its headquarters in San Ramon, California.
2. Defendant Zhou is a resident of Fort Bend County, Texas, and can be served with process at his home address: 2926 Williams Grant Street, Sugar Land, TX 77479, or his business address of Maxwell Dynamics, Inc., 8303 Southwest Freeway, Suite 380, Houston, TX 77074.
3. Defendant Maxwell is a Texas corporation which can be served with process through its registered agent John Q. Zhou at 2926 Williams Grant Street, Sugar Land, TX 77479.

JURISDICTION AND VENUE

4. This Court has federal question jurisdiction over this matter under 28 U.S.C. § 1331 because some of Plaintiff's claims arise under the Copyright Act, 17 U.S.C. §§ 101 *et seq.*, and the federal Declaratory Judgment Act, 28 U.S.C. §§ 2201 *et seq.* The Court has jurisdiction over Plaintiff's state law claims under 28 U.S.C. § 1367 because these claims are so related to Plaintiff's federal claims that they form part of the same case or controversy under Article III of the U.S. Constitution. This Court also has diversity jurisdiction pursuant to 28 U.S.C. § 1332(a) because the amount in controversy exceeds \$75,000 and neither Defendant is a citizen of the same state as Plaintiff. Defendants Zhou and Maxwell are Texas citizens and Chevron is incorporated in Pennsylvania with its principal place of business in San Ramon, California.

5. Venue is proper in the Southern District of Texas, Houston Division, under 28 U.S.C. § 1391(b)(1) because Maxwell and Zhou each reside within the judicial district. Additionally, venue is proper under 28 U.S.C. § 1391(b)(2) because a substantial part of the events giving rise to Plaintiff's claims occurred within the judicial district. Additionally, venue is also proper under 28 U.S.C. §1400(a) because each Defendant resides within the judicial district.

BACKGROUND FACTS

I. Chevron ETC

6. Chevron explores for, produces and transports crude oil and natural gas. Chevron Energy Technology Company ("Chevron ETC" or the "Company") is an operating division of Chevron U.S.A. Inc. that specializes in providing technology solutions and technical expertise to Chevron. Chevron ETC's services include, but are not limited to, inventing industry leading proprietary technologies, applying innovative techniques for existing processes, and delivering a wide spectrum of technical services and competencies. Much of the technology provided by

Chevron ETC has taken years to develop and is the result of significant risk and expense to Chevron ETC.

7. Because of Chevron ETC's significant investment in technology, it protects its non-patented technology as trade secrets and confidential information.

III. Zhou's Exposure to Proprietary and Confidential Information at Chevron ETC

8. Zhou was employed by Chevron ETC from August 1996 to March 2008 and held the title of Senior Research Scientist at the time of his departure. Zhou was responsible for, among other things, company-wide research and development in resistivity modeling and logging applications, strategic research direction, and complex log acquisition, processing, and interpretation. Zhou was necessarily privy to Chevron ETC's highly confidential research and development strategies, business strategies, as well as, other confidential and proprietary information.

9. Zhou was at least specifically exposed to the following confidential information, trade secrets, software, and/or data of Chevron ETC:

- a) Chevron ETC's iLog software program ;
- b) Chevron ETC's user manual for the iLog software program;
- c) Chevron ETC's unpublished manuscript entitled "Encyclopedia of Strange Resistivity Logs;" and
- d) data relating to oil and gas formations.

IV. Chevron ETC's Protection of its Proprietary and Confidential Information and Trade Secrets

10. Recognizing the value of confidential information and trade secrets, Chevron ETC has taken more than reasonable precautions to maintain confidentiality including, but not limited to, limiting access to: (a) Chevron ETC's iLog software program; (b) the iLog user manual, (c) the "Encyclopedia of Strange Resistivity Logs" ("Encyclopedia"); and (d) data

relating to oil and gas formations. Chevron ETC also ensures that employees agree to and comply with the terms of Chevron ETC's agreement regarding confidential information ("Confidentiality Agreement").

11. In the Confidentiality Agreement Zhou signed in 1996 when he began his employment with Chevron ETC and in the agreement he signed in 2005, Zhou agreed that all information developed by or for Chevron ETC was the property of Chevron ETC. Specifically, he agreed that:

All information in any form (hereinafter "Confidential Information") developed by or for Company in the course of any aspect of its business, as now or hereafter conducted, is the property of Company All inventions, discoveries and improvements, patentable and unpatentable, useful to any aspect of the business of Company or its affiliates, conceived by Employee either alone or with others, during the period of Employee's employment by Company . . . shall be the exclusive property of Company. . . .

12. Chevron ETC's "Confidential Information" was defined as:

(a) Inventions, discoveries and improvements, whether patentable or unpatentable, including trade secrets; (b) Geophysical, geological, well information and any other data, including interpretations thereof or processes relating thereto, relating to the existence of, exploration for or the development of oil, gas or other potentially valuable raw material, product, mineral or natural resource of any kind; (c) Any other information having present or potential commercial value to the Company; (d) Confidential Information of any kind belonging to others but licensed or disclosed to Company for use in any aspect of its business; and (e) All Confidential Information whether or not designated or marked as such through use of such words as "classified," "confidential," or "restricted."

13. The Confidentiality Agreements to which Zhou agreed prohibit use and disclosure of Confidential Information outside the performance of Zhou's duties with Chevron ETC:

Except as required by law or by the performance of Employee's duties to Company, Employee will not use or disclose Confidential Information to others either during or after this employment;

Employee will not make, or permit others to make, or possess except when and so long as required for the discharge of Employee's employment duties, any copy, abstract or summary of any Confidential Information. . . .

14. Zhou also agreed, as part of the Confidentiality Agreements, to return all confidential Company documents upon leaving. Specifically, he agreed that "at the voluntary or involuntary termination of this employment, Employee will deliver to Company all Confidential material including all copies, abstracts and summaries thereof."

15. In addition to limiting access and requiring employees to execute the Confidentiality Agreement, Chevron ETC takes other reasonable precautions to maintain the confidentiality of its confidential information and trade secrets, including the iLog software program, the iLog user manual, the Encyclopedia, and data relating to oil and gas formations. Some of these precautions include, but are not limited to: (a) use of computer security passwords and a state-of-the-art firewall to prevent unauthorized access to its computer databases; (b) limiting employees' access to data internally on a need to know only basis; (c) requiring use of key cards when logging in to the Chevron ETC computer system remotely; (d) performing background screening checks on potential employees; (e) executing confidentiality agreements with its partners and customers; (f) requiring employees to seek and obtain proper approvals prior to publishing or presenting information outside the company; (g) requiring employees to complete online training modules regarding confidential information and trade secrets; and (h) providing a memorandum regarding Chevron's Protection of Trade Secrets and Confidential Information to each departing employee.

16. The proprietary and confidential information and trade secrets provided to Zhou during his employment with Chevron ETC would allow a Chevron ETC competitor to compete

unfairly with it since the information reveals confidential information as well as strategies employed, and the procedures utilized, to successfully run Chevron ETC's business.

V. Chevron ETC's Development of iLog Software

17. While employed at Chevron ETC, Zhou helped develop a proprietary and confidential software program called iLog, as well as the iLog program user manual.

18. The iLog software program is extremely valuable to Chevron ETC and operates using hundreds of thousands of lines of confidential source code. iLog took over 5 years to develop and performs interactive modeling, inversion, and interpretation of responses from various logging tools in different formation environments. In particular, iLog's purposes include, but are not limited to, the following: (a) to interactively solve true formation resistivity for given field logs and improve the accuracy of petrophysical interpretation; (b) to analyze and interpret log responses which may be normal or abnormal; (c) to understand response characteristics, such as vertical resolution and depth of investigation, for a given logging tool in a particular environment; (d) to geosteer a well and interpret correctly the resistivity logs in a highly deviated or horizontal well; and (e) to provide a platform to other types of logging tools besides the resistivity tools.

19. iLog contains modeling codes developed by at least one Chevron ETC partner. Chevron ETC and its partners have agreed to protect the proprietary and confidential modeling code contained in the software from disclosure outside the conduct of Chevron's ETC's business.

20. iLog contains tool data of oil and gas service companies which shared the data with Chevron ETC on the condition that Chevron ETC protect its confidentiality and the iLog user manual contains well log examples that are confidential.

VI. Chevron ETC Owns any Copyright in the Encyclopedia Manuscript and the Exclusive Rights Associated Therewith

21. During the course and scope of his employment at Chevron ETC, Zhou wrote a manuscript entitled “Encyclopedia of Strange Resistivity Logs”. The Encyclopedia manuscript was a training guide and reference source for all Chevron employees worldwide and for the employees of Chevron Affiliate companies working in the specialized area of logging while drilling, as well as a key reference manual for Chevron ETC employees. The purpose of the Encyclopedia was to: (a) understand and to interpret unusual resistivity log responses; (b) describe borehole conditions, formation environments, and the particular type of tool with which each unusual log response occurs; (c) analyze and compute the true physical parameters of the well; (d) share insights on the basic behaviors of various logging tools; and (e) be periodically updated as technology and tools develop.

22. The preface to the manuscript states that it includes materials contributed by Zhou’s colleagues at Chevron ETC. The acknowledgements section identifies approximately ten Chevron ETC formation evaluation specialists.

23. The manuscript contains proprietary and confidential information.

24. Zhou himself listed the manuscript work for Chevron ETC on at least his 2007 performance evaluation and described its “high value” to the Chevron ETC formation evaluation (FE) community .

25. In October 2007, Zhou distributed the Encyclopedia manuscript to a number of Chevron employees at an internal meeting.

26. Zhou never sought permission to publish the Encyclopedia through the required Chevron ETC process, a process which Zhou was fully aware of and had previously followed. This process includes completing a “Publication of Technical Paper Review Form” and

submitting the form and an abstract to the appropriate company personnel. After the manuscript is written, a peer review process is undertaken and the completed manuscript is sent to the appropriate company personnel for final management review and approval.

27. Zhou wrote this manuscript as a “work for hire” during the course and scope of his employment with Chevron ETC and no written agreement transferring any rights was ever executed.

28. As described above, Zhou signed two confidentiality agreements that assigned to Chevron ETC the rights to any “inventions, discoveries, and improvements” he developed while employed by Chevron. Chevron ETC never represented to Zhou that he owned any right to the Encyclopedia prior to its creation. Further, after the Encyclopedia was created Chevron ETC never transferred any ownership rights in the Encyclopedia in writing as required by 17 U.S.C. § 204 or otherwise.

VII. Zhou Leaves Chevron ETC with Chevron ETC’s Proprietary and Confidential Information and Trade Secrets

29. Zhou resigned from his employment with Chevron ETC in March 2008 for purported family reasons.

30. Chevron ETC later discovered that despite having worked at the company for over 10 years the only electronic items of Zhou that remained were a copy of the iLog software program along with papers and presentations because Zhou had deleted everything else from his Chevron ETC computer and share drive.

31. Chevron ETC also later discovered that Chevron ETC did not have an electronic copy of the Encyclopedia manuscript. Despite repeated requests, Zhou has refused to provide Chevron ETC the needed electronic copy, stating that he would only provide Chevron ETC with a paper copy provided Chevron ETC paid him the copying costs.

32. The lack of an electronic copy of the Encyclopedia hinders Chevron ETC in using the manuscript for training and in updating it for use as a reference manual. Recreating the electronic version of the Encyclopedia manuscript by recompiling the information from original sources, including confidential information, would be expensive and time-consuming.

VIII. Zhou Forms Maxwell Dynamics, Inc. and It Uses Chevron ETC's Proprietary and Confidential Information and Trade Secrets

33. Unbeknownst to Chevron, Zhou formed his own company, Maxwell Dynamics before he even had resigned from Chevron. Maxwell provides services strikingly similar to those Zhou was providing to Chevron ETC immediately prior to his departure. According to its website, Maxwell focuses on “visualizing, processing, [and] interpreting MWD and wireline logs for successful geosteering [and] accurate petrophysical evaluation.”

34. According to Maxwell's website, Zhou and his company are consulting with several oil companies that compete with Chevron ETC in, for example, resistivity log modeling and interpretation. The Maxwell website advertises a “short course” on the Encyclopedia that purports to cover the “(1) Spectrum of Tools and Their Measurement Principles, (2) Strange Logs and Their Interpretations, and (3) Q&A and Interesting Tidbits.”

35. Moreover, according to its website in August 2008, Maxwell introduced a software program called “LogXD version 1.001” (“LogXD”). Just a few short months after Zhou had resigned from Chevron ETC, Zhou's company began offering “free trial versions” of LogXD on its website.

36. In December 2009, the successor to Zhou's former supervisor attended a presentation given by Zhou where Zhou was showcasing LogXD to ETC employees. The successor recognized substantial similarities between Chevron ETC's iLog software and the LogXD program Zhou was offering through Maxwell. The successor also recognized substantial

similarities (including Chevron well data) between Chevron ETC's iLog software manual and the LogXD program manual Zhou was offering through Maxwell. The former supervisor also recognized substantial similarities between a confidential internal Chevron presentation and the LogXD program Zhou was offering through Maxwell.

37. Given that it took over five years for Chevron ETC to develop iLog, it is not feasible that Zhou independently developed LogXD in only a few months without improperly using confidential and proprietary information.

38. Based on information and belief, it appears that Zhou and Maxwell are using confidential information of Chevron ETC that Zhou obtained in his employment at Chevron ETC and is prohibited from using or disclosing. Chevron has twice demanded Zhou to refrain from such wrongful conduct but he has refused.

CAUSES OF ACTION

I. APPLICATION FOR TEMPORARY RESTRAINING ORDER

39. Chevron repeats and realleges the allegations contained in the preceding paragraphs 1 through 38 above.

40. Chevron is entitled to a temporary restraining order and a preliminary injunction because it has suffered and will continue to suffer actual and imminent harm and irreparable injury as a result of the wrongful acts and omissions of Zhou, described above. The injury to Chevron described herein is not accurately measurable, Chevron cannot be adequately compensated in damages, and Zhou would likely be unable to pay any damages that are capable of calculation.

41. There is no adequate remedy at law for the harm to Chevron described herein. The facts and events pled herein demonstrate a clear likelihood that Chevron will prevail on the merits of its case.

42. Due to the severity of the conduct described herein, the injury faced by Chevron outweighs any injury that would be sustained by Zhou as a result of the injunctive relief requested.

43. The granting of injunctive relief would not adversely affect public policy or public interest. Chevron will suffer immediate and irreparable injury, loss, or damage if an immediate temporary restraining order is not granted before Zhou can be heard and notice should not be required because there are no less drastic means to protect Chevron's interests. Chevron is not seeking to restrain Zhou from working for a competitor, only from improperly using its trade secret, proprietary, and confidential information while doing so.

44. Based upon Zhou's conduct as described herein, notice to Zhou prior to the issuance of a temporary restraining order would render many of the causes of action moot because Zhou would likely destroy evidence. Plaintiff's request for a temporary restraining order is limited to preserving the status quo only as long as necessary to hold a preliminary injunction hearing.

45. Zhou has removed, and could conceivably use, Chevron ETC's trade secrets and confidential and proprietary information in his new position with Maxwell. The desire to use Chevron ETC's trade secrets and confidential and proprietary information in his new position at Maxwell is apparent from his marketing and/or intended use of the LogXD software, manual and the Encyclopedia all of which contain information which is confidential to Chevron ETC.

46. Chevron ETC's trade secrets and other confidential and proprietary information give it a competitive advantage in the marketplace due to not being known to competitors and potential competitors. Disclosure and use of Chevron ETC's trade secrets and other confidential and proprietary information by Zhou will cause Chevron to suffer irreparable harm, including the

loss of Chevron ETC's confidential iLog software and tool data contained therein, the iLog user manual, and the Encyclopedia, for which it has no adequate remedy at law.

47. Each day that Zhou continues his acts and omissions brings additional irreparable harm and damage to Chevron. Therefore, Chevron will suffer irreparable harm and damage for which Chevron has no adequate remedy at law unless this Court intervenes and enters a temporary restraining order and, pending a trial on the merits, a preliminary injunction ordering the relief requested herein.

II. DECLARATORY JUDGMENT

48. Chevron repeats and realleges the allegations contained in the preceding paragraphs 1 through 38 above.

49. Chevron brings a declaratory judgment action pursuant to the Federal Declaratory Judgment Act, 28 U.S.C. §§ 2201 *et seq.*, for ownership of a copyright arising under the copyright laws of the United States, 17 U.S.C. § 101 *et seq.* An actual, substantial, and continuing justiciable controversy exists between Chevron and Zhou, requiring a declaration of rights by this Court.

50. Zhou has engaged in a course of conduct that shows a willingness and intent to assert ownership of some exclusive rights under the copyright in the Encyclopedia. Specifically, in letters dated February 4, 2010 and March 1, 2010, Zhou misrepresented that the Encyclopedia was "written for self-publication with the express, written permission of Chevron management" and later that he was informed that "publication would be approved and [he] was never informed otherwise."

51. Zhou has asserted some rights in the Encyclopedia and may initiate suit against Chevron for copyright infringement should Chevron ETC copy, distribute, or make derivative works of the Encyclopedia.

52. Based on the foregoing, there is a substantial and justiciable controversy between Chevron and Zhou as to the ownership of the copyright in the Encyclopedia that is of sufficient immediacy and reality to warrant the issuance of a declaratory judgment.

53. Chevron hereby brings this action for declaratory judgment against Zhou, seeking declarations that: (a) Chevron ETC owns the copyright in the Encyclopedia; and (b) Chevron ETC is entitled to all of the exclusive rights of copyright ownership, including the exclusive right to publish and distribute the Encyclopedia.

54. Unless restrained and enjoined, Zhou will continue to assert the right to publish and distribute the Encyclopedia, thereby compromising confidential information contained in the Encyclopedia. Any remedy at law is not adequate to compensate Chevron ETC for these inflicted and threatened injuries.

III. BREACH OF CONTRACT

55. Chevron repeats and realleges the allegations contained in the preceding paragraphs 1 through 38 above.

56. Zhou agreed to comply with the terms of certain contracts with Chevron ETC, including the Confidentiality Agreements.

57. As part of the Confidentiality Agreements, Zhou agreed not to use or disclose Chevron ETC's confidential information and trade secrets, including inventions, information having commercial value, and information belonging to others but licensed or disclosed to Chevron ETC, and to prevent such disclosure.

58. Additionally, as part of the Confidentiality Agreements, Zhou agreed to return all Chevron ETC materials and not retain any Chevron ETC materials after the expiration of his employment.

59. Zhou breached the Confidentiality Agreements by his misappropriation of Chevron ETC's proprietary and confidential information and trade secrets, including the Encyclopedia, which is itself a compilation of proprietary and confidential information and trade secrets, and his failure to return Chevron ETC's confidential and proprietary information and trade secrets upon his resignation.

60. As a direct and proximate result of Zhou's breaches of his contractual agreements with Chevron ETC, including the Confidentiality Agreements, Chevron ETC has suffered and, unless Zhou is enjoined, will continue to suffer, irreparable harm for which there is no adequate remedy at law.

61. Additionally, alternatively and without waiving the foregoing, Chevron also seeks from Zhou its actual damages, plus court costs and reasonable and necessary attorneys' fees.

IV. TEXAS THEFT LIABILITY ACT

62. Chevron repeats and realleges the allegations contained in the preceding paragraphs 1 through 38 above.

63. Chevron ETC owned trade secrets contained in its Encyclopedia. This information is Chevron ETC's personal property.

64. Zhou unlawfully appropriated, secured, or stole Chevron ETC's property by deleting it from Chevron ETC's computer system without Chevron ETC's effective consent. Zhou's unlawful taking of Chevron ETC's property was made with the intent to deprive Chevron ETC of its property. Chevron ETC sustained damages as a result of Zhou's theft, including but

not limited to, damage to the functionality of the Encyclopedia, damage to Chevron's rights of dominion and control over its property, and damage to the proprietary and confidential nature of the information in the Encyclopedia.

65. As a direct and proximate result of this wrongful conduct, Chevron has suffered and, unless Zhou is enjoined, will continue to suffer, irreparable harm for which there is no adequate remedy at law.

66. Additionally, alternatively and without waiving the foregoing, Chevron also seeks from Zhou its actual damages, punitive damages, plus court costs and reasonable and necessary attorneys' fees.

V. CONVERSION

67. Chevron repeats and realleges the allegations contained in the preceding paragraphs 1 through 38 above.

68. Chevron ETC owned, possessed, or had the right to immediate possession of its confidential information and trade secrets, including but not limited to the Encyclopedia. This information is Chevron ETC's personal property.

69. Zhou wrongfully exercised dominion or control over such information by deleting it from Chevron ETC's computer system and refusing to return the electronic copy upon request from Chevron ETC. Zhou's conversion of Chevron ETC's property was done with malice and his wanton and malicious acts resulted in injury to Chevron ETC.

70. As a direct and proximate result of this wrongful conduct, Chevron has suffered and, unless Zhou is enjoined, will continue to suffer, irreparable harm for which there is no adequate remedy at law.

71. Additionally, alternatively and without waiving the foregoing, Chevron also seeks from Zhou its actual damages, plus court costs and reasonable and necessary attorneys' fees.

VI. TRESPASS TO CHATTELS

72. Chevron repeats and realleges the allegations contained in the preceding paragraphs 1 through 38 above.

73. Chevron ETC had legal title to and actual possession of its confidential information and trade secrets, including but not limited to the Encyclopedia. This information is Chevron ETC's personal property.

74. Zhou intentionally interfered with and wrongfully exercised dominion or control over such information by deleting it from Chevron ETC's computer system and refusing to return the electronic copy upon request from Chevron ETC.

75. Zhou's wrongful trespass and interference with Chevron ETC's property caused Chevron ETC damages including, but not limited to, damage to the functionality of the Encyclopedia, damage to Chevron's rights of dominion and control over its property, and damage to the proprietary and confidential nature of the information in the Encyclopedia. As a result, Zhou caused the Encyclopedia to greatly diminish in value and deprived Chevron ETC of the intended use of its Encyclopedia.

76. As a direct and proximate result of this wrongful conduct, Chevron has suffered and, unless Zhou is enjoined, will continue to suffer, irreparable harm for which there is no adequate remedy at law.

77. Additionally, alternatively and without waiving the foregoing, Chevron also seeks from Zhou its actual damages, plus court costs and reasonable and necessary attorneys' fees.

EXEMPLARY DAMAGES

78. Chevron repeats and realleges the allegations contained in the preceding

paragraphs 1 through 38 above.

79. The wrongful conduct of Zhou described above was intentional, willful, malicious, and in conscious disregard to Chevron's rights. To deter Zhou's wrongful conduct and to deter others from engaging in similar wrongdoing, Zhou should be assessed exemplary damages.

CONDITIONS PRECEDENT

80. All conditions precedent have been performed or have occurred.

JURY DEMAND

81. Plaintiff demands a trial by jury on all issues triable to a jury.

PRAYER FOR RELIEF

82. WHEREFORE, Plaintiff is willing to post bond and seeks judgment in its favor as follows:

(a) Pending a trial on the merits, a temporary restraining order, a preliminary injunction, and a permanent injunction ordering:

- (1) That Zhou immediately cease the disclosure and/or use of any and all, inventions, trade secrets, confidential knowledge and data or other proprietary information of the Company relating to products, processes, know-how, designs, computer software (including the LogXD software program and LogXD user manual), formulas, test data, computer programs and databases and other original works of authorship (including the Encyclopedia of Strange Resistivity Logs), customer and/or client lists, employee lists, business plans, marketing plans and strategies, and pricing strategies or other confidential information pertaining to any business of the Company or any of its clients, customers, consultants, licensees or affiliates (collectively "Confidential Information") obtained or otherwise acquired during the course of Zhou's employment or association with the Company.
- (2) That Zhou immediately cease modification of any and all, Confidential Information, including the LogXD software program and LogXD user manual and the Encyclopedia of Strange Resistivity Logs, pertaining to any business of the Company or any of its clients, customers, consultants, licensees or affiliates

obtained or otherwise acquired during the course of Zhou's employment or association with the Company.

- (3) That Zhou is prevented for the duration of this Order from either directly or indirectly, on Zhou's behalf or in the service or on behalf of others, whether acting on his own or in concert with others, soliciting, selling, licensing, or otherwise providing the LogXD software program, LogXD user manual, or Encyclopedia of Strange Resistivity Logs to any business that engages in the same or substantially similar business as the business of the Company;
- (4) That Zhou is prevented for the duration of this Order from either directly or indirectly, on Zhou's behalf or in the service or on behalf of others, whether acting on his own or in concert with others, soliciting, selling, licensing, or otherwise providing the LogXD software program, LogXD user manual, or Encyclopedia of Strange Resistivity Logs to any current customers of Zhou or Maxwell Dynamics, Inc.;
- (5) That Zhou return all of Chevron ETC's Confidential Information, including the information he agreed to return in the Confidentiality Agreements and the Encyclopedia of Strange Resistivity Logs, whether in hard copy or electronic media, to Chevron ETC immediately;
- (6) That Zhou and his respective agents and representatives be ordered to preserve for inspection and production any and all electronic storage devices, including computers, computer hard drives, handheld devices, computer discs, or their equivalents and/or other devices containing memory capability, of any kind in their possession;
- (7) That Zhou can not exercise any of the exclusive rights of copyright ownership with respect to the Encyclopedia of Strange Resistivity Logs;
- (8) That Zhou immediately cease use of the LogXD software program and LogXD user manual until it can be confirmed that he is not using any confidential information or trade secrets owned by Plaintiff; and
- (9) That Zhou disclose to Chevron ETC the names and identities of all persons and/or businesses to whom he has provided Chevron ETC's Confidential Information, including the Encyclopedia of Strange Resistivity Logs.

- (b) A declaration that Chevron ETC owns the copyright in the Encyclopedia of Strange Resistivity Logs;
- (c) A declaration that Chevron ETC is entitled to all of the exclusive rights of copyright ownership, including the exclusive right to publish the Encyclopedia of Strange Resistivity Logs;
- (d) A judgment awarding Plaintiff actual damages and exemplary damages;
- (e) A judgment awarding attorneys' fees to Plaintiff;
- (f) A judgment awarding all costs of this suit to Plaintiff;
- (g) A judgment awarding prejudgment and post-judgment interest to Plaintiff at the highest rate allowable by law; and
- (h) A judgment awarding Plaintiff all other relief, legal or equitable, to which it may be entitled.

Date: May 18, 2010

Respectfully submitted,

/s/ Gregory L. Porter

Gregory Porter
TBA No. 24002784
Southern District Bar No. 34185
glporter@jonesday.com

Mark Temple
TBA No. 00794727
Southern District Bar No. 19522
mdtemple@jonesday.com

Jones Day
717 Texas Suite 3300
Houston, Texas 77002
Telephone (832) 239-3939
Fax (832) 239-3600

Attorneys for Chevron U.S.A. Inc.

VERIFICATION

STATE OF TEXAS

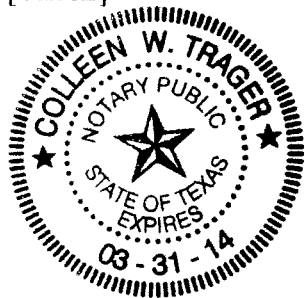
COUNTY OF HARRIS

On this day personally appeared ANDREW LATHAM, who, being duly sworn, deposed and said that he/she is a DIVISION MANAGER with CHEVRON ENERGY TECHNOLOGY COMPANY and as such he/she is fully authorized to make this Verification, that he/she has read CHEVRON U.S.A. INC.'S EMERGENCY APPLICATION FOR TEMPORARY RESTRAINING ORDER AND PRELIMINARY INJUNCTION, AND ORIGINAL COMPLAINT and knows the contents thereof, and that to the best of his/her knowledge the same are true and correct.

Andrew Latham

SUBSCRIBED AND SWORN TO BEFORE ME by the said ANDREW LATHAM on this the 12th day of May, 2010.

[SEAL]



Colleen Trager
Notary Public in and for
the State of Texas

**UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF TEXAS
HOUSTON DIVISION**

<p>CHEVRON U.S.A. INC.,</p> <p style="padding-left: 40px;">Plaintiff,</p> <p>v.</p> <p>QIANG ZHOU</p> <p style="padding-left: 40px;">Defendant</p> <p>and</p> <p>MAXWELL DYNAMICS, INC.</p> <p style="padding-left: 40px;">Defendant.</p>	§ § § § § § § § § § § § §	<p>CIVIL ACTION NO. _____</p>
---	---	--------------------------------------

TEMPORARY RESTRAINING ORDER

ON THIS DAY, the Court considered Plaintiff Chevron U.S.A. Inc.’s (“Chevron”) Emergency Application for Temporary Restraining Order (“TRO Application”) against Defendants Qiang Zhou (“Zhou”) and Maxwell Dynamics, Inc. (“Maxwell”). Having examined the TRO Application, the arguments of counsel, and the applicable authorities, the Court finds that the TRO Application is well taken and should be granted. It appears clearly from the facts set forth in the TRO Application that, unless Zhou is prohibited from using Chevron Energy Technology Company’s (“Chevron ETC” or the “Company”) trade secrets and confidential information, Zhou will commit the acts described below before notice can be given and a hearing can be held on Plaintiff’s Application for Preliminary Injunction; and that if the commission of these acts is not restrained immediately, Chevron will suffer immediate, irreparable injury, for which there is no adequate remedy at law as a result of Zhou’s use of Chevron ETC’s trade secrets and confidential information. Chevron has shown that Zhou’s use of Chevron ETC’s trade secrets and confidential information could provide others in the marketplace with an unfair competitive advantage. Chevron has shown that there are no less drastic means to protect Chevron’s interests.

Chevron has demonstrated that notice to Zhou prior to the issuance of a Temporary Restraining Order would likely render many of Chevron’s causes of action moot because Zhou may destroy evidence.

IT IS THEREFORE ORDERED:

- (1) That Zhou immediately cease the disclosure and/or use of any and all, inventions, trade secrets, confidential knowledge and data or other proprietary information of the Company relating to products, processes, know-how, designs, computer software (including the LogXD software program and LogXD user manual), formulas, test data, computer programs and databases and other original works of authorship (including the Encyclopedia of Strange Resistivity Logs), customer and/or client lists, employee lists, business plans, marketing plans and strategies, and pricing strategies or other confidential information pertaining to any business of the Company or any of its clients, customers, consultants, licensees or affiliates (collectively "Confidential Information") obtained or otherwise acquired during the course of Zhou's employment or association with the Company.
- (2) That Zhou immediately cease modification of any and all, Confidential Information, including the LogXD software program and LogXD user manual and the Encyclopedia of Strange Resistivity Logs, pertaining to any business of the Company or any of its clients, customers, consultants, licensees or affiliates obtained or otherwise acquired during the course of Zhou's employment or association with the Company.
- (3) That Zhou is prevented for the duration of this Order from either directly or indirectly, on Zhou's behalf or in the service or on behalf of others, whether acting on his own or in concert with others, soliciting, selling, licensing, or otherwise providing the LogXD software program, LogXD user manual, or Encyclopedia of Strange Resistivity Logs to any business that engages in the same or substantially similar business as the business of the Company;
- (4) That Zhou is prevented for the duration of this Order from either directly or indirectly, on Zhou's behalf or in the service or on behalf of others, whether acting on his own or in concert with others, soliciting, selling, licensing, or otherwise providing the LogXD software program, LogXD user manual, or Encyclopedia of Strange Resistivity Logs to any current customers of Zhou or Maxwell Dynamics, Inc.;
- (5) That Zhou return all of Chevron ETC's Confidential Information, including the information he agreed to return in the Confidentiality Agreements and the Encyclopedia of Strange Resistivity Logs, whether in hard copy or electronic media, to Chevron ETC immediately;
- (6) That Zhou and his respective agents and representatives be ordered to preserve for inspection and production any and all electronic storage devices, including computers, computer hard drives, handheld devices, computer discs, or their equivalents and/or other devices containing memory capability, of any kind in their possession;

- (7) That Zhou can not exercise any of the exclusive rights of copyright ownership with respect to the Encyclopedia of Strange Resistivity Logs;
- (8) That Zhou immediately cease use of the LogXD software program and LogXD user manual until it can be confirmed that he is not using any confidential information or trade secrets owned by Plaintiff; and
- (9) That Zhou disclose to Chevron ETC the names and identities of all persons and/or businesses to whom he has provided Chevron ETC's Confidential Information, including the Encyclopedia of Strange Resistivity Logs.

IT IS FURTHER ORDERED that the Clerk of this Court shall, on the filing by Chevron of a bond or cash deposit in lieu of bond hereinafter required, and on approving the same according to the law, issue a Temporary Restraining Order in conformity with the law and the terms of this Order. This Order shall not be effective unless and until Chevron executes and files with the Clerk a bond, or cash deposit in lieu of a bond, in conformity with law, in the amount of \$_____.

IT IS FURTHER ORDERED that this Order shall expire on the tenth (10th) business day after entry unless within such time this Order is extended for good cause shown or agreement of the parties, whichever occurs first.

SIGNED and issued on this ___ day of May 2010 at o'clock __.m.

UNITED STATES DISTRICT JUDGE