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Senior Unsecured Notes Issued to Refinance Debt and Fund Expansion

July 24, 2001

HORNBECK-LEE VAC Marine Services, Inc. announced today that it has issued \$175 million in senior unsecured notes due 2008 with a coupon of 10-5/8%. Moody's and Standard & Poors have assigned a B1/B+ rating to the notes and a B1/B+ senior implied corporate rating to the Company. The rating outlook is stable. The bonds will refinance all of the Company's existing debt and fund the remaining portion of its current deepwater OSV newbuild program.

Christian Vaccari, the Company's Chief Executive Officer commented, "We are very pleased to have successfully completed a financing of this type and size in adverse market conditions. This offering will significantly improve our capital structure and provide us with the financial flexibility to pursue our strategic growth objectives in both of our business segments."