



Thomas W. Paterson

Retired Partner

tpaterson@srcattle.com

Overview

Tom Paterson is a former partner with Susman Godfrey. He retired at the end of 2023.

Tom came to Susman Godfrey with an undergraduate degree from Texas A&M University and an MA, Ph.D. and JD from the University of Wisconsin. Tom clerked for the Honorable Thomas Gibbs Gee on the United States Court of Appeals for the Fifth Circuit. For close to 40 years, Tom worked primarily on energy litigation, representing public and private royalty owners and upstream and mid-stream clients. In that capacity, he participated in the transformation of the oil and gas business throughout the United States but primarily in the Permian Basin.

Tom and his family own and operate a cattle ranch in Arizona and New Mexico. He serves as the President-Elect of the New Mexico Cattle Growers' Association and is the livestock industry representative to the board of the Livestock Loss Authority in New Mexico.

Notable Representations

Representative Cases

MULTIPLE MATTERS ON BEHALF OF HESS CORPORATION

- Represented Hess Ohio Resources in a suit brought by a mineral lessor in Jefferson County, Ohio, who claimed that the oil and gas lease he signed in 2008 terminated in 2010. After a bench trial, the Court ruled for Hess in a complete victory.
- Represented Hess Ohio Resources in two suits brought by oil and gas lessors with property in Ohio. The lessors claimed that their oil and gas leases, which they signed in 2006, had terminated after a five-year primary term. I was retained to persuade the two federal district courts in Ohio to reconsider their rulings that the leases had terminated. The Sixth

Circuit agreed with our position that the leases had two consecutive five-year primary terms and the leases had not terminated at the end of the first five-year term.

- Represented Hess Corporation in resolving three separate disputes involving leasehold interests valued at over \$1 billion in the Eagle Ford Shale in South Texas, leaseholds with a joint venture partner in the Utica Shale in Ohio, and contract and fraud claims relating to a billion dollar sale of leasehold assets in the Bakken Shale of North Dakota.
- Defended Hess Corporation against Jack Grynberg's claims involving a net profits agreement on oil and gas interests in Mississippi's Tallahala field. The plaintiff filed suit in Colorado federal court, and soon after, a related action was filed against Hess in Mississippi state court. The Colorado court dismissed Grynberg's claims against Hess on procedural grounds. The Mississippi court granted summary judgment on claims against Hess and other claims were settled on terms favorable to Hess.

MULTIPLE MATTERS ON BEHALF OF ENTERPRISE PRODUCTS PARTNERS L.P.

- Defended Enterprise Products against Marathon's claims of breach of contract, fraud, and conspiracy concerning the dedication of natural gas processing rights for gas produced from the deep-water Gulf of Mexico. I persuaded the arbitrator to dismiss nearly all of Marathon's claims on summary judgment, including Marathon's \$45 million consequential damages claim and numerous breach of contract and fraud claims. The case settled the case on highly favorable terms.
- Represented Enterprise Products Operating LLC and Mid-America Pipeline Company, LLC as plaintiffs in a lawsuit against Flint Hills Resources, L.P., a subsidiary of Koch Industries. The dispute, valued at \$30 million arose in connection with a natural gas liquids storage and purchase agreement between Enterprise and Flint Hills. The case settled on confidential terms.
- Represented Enterprise Products Operating L.P. in a dispute with Sunoco Pipeline over who was entitled to purchase approximately \$70 million in stock in Dixie Pipeline Company. After five weeks of discovery and a two-day bench trial, the court found for Enterprise on all issues.
- Represented Enterprise Field Services in a declaratory judgment action over long-term gas gathering agreements in the San Juan Basin of northwestern New Mexico. Also defended Enterprise Field Services in multiple forums against ConocoPhillips' allegations of state antitrust and regulatory violations relating to those gas gathering agreements

CONTRACT DISPUTES

- Secured a summary judgment win for EP Energy E&P against Fairfield Industries, Inc. on Fairfield's breach-of-contract claims in a multi-million dollar seismic data licensing dispute. This case remains on appeal.
- Represented a mid-stream company in an expedited arbitration against a joint-venture partner on one of its pipelines. The arbitration involved claims that the joint-venture partner breached its fiduciary duties by refusing to agree to increase throughput on the pipeline to return it to its nameplate capacity under the parties' operating agreement. After limited document and oral discovery, the case settled favorably for our client.
- Successfully represented Apache Corp. in major litigation against Concho Resources Inc. regarding the exercise of preferential purchase rights on hundreds of millions of dollars of oil and gas assets in the Permian Basin of West Texas and New Mexico.
- Represented Jonah Gas Gathering Co. in a declaratory judgment action against Williams Field Services on Williams' claims that Jonah breached an interconnect agreement to deliver gas to a Williams gas processing plant in Wyoming. Williams moved to dismiss that case against Jonah (a Texas resident) based on forum non conveniens. I successfully defeated Williams' motion in the trial court, and subsequently defeated Williams' mandamus petitions in the Fourteenth Court of Appeals and the Texas Supreme Court.
- Represented Apache Corp. against Virginia Power Energy Marketing, Inc. and Dominion Resources, Inc. in a dispute related to the devastation caused by Hurricanes Katrina and Rita to the natural gas production and pipeline infrastructure along the Gulf Coast. The trial court granted Apache's motion for summary judgment and the Court of Appeals affirmed.

PUBLIC AND PRIVATE ROYALTY OWNER LAWSUITS

- As co-lead counsel for the class, secured settlement checks totaling more than \$18.9 million for over 4,300 royalty and overriding royalty owners across the United States who sued ConocoPhillips for alleged underpayment of royalty due on natural gas liquids produced from the San Juan Basin of northwestern New Mexico and processed at the New Blanco Plant near Bloomfield, New Mexico.
- As co-lead counsel to the class, secured a settlement valued at \$12 million (of which \$3.5 million was awarded as attorneys fees) in a class action lawsuit on behalf of a class of royalty owners who leased mineral rights to Oxy USA Inc. for the production of carbon dioxide from the Bravo Dome Carbon Dioxide Unit in northeastern New Mexico. Oxy also agreed to change how it calculates plaintiffs' royalty on a going-forward basis.
- Served as co-lead counsel to the New Mexico Commissioner of Public Lands in its dispute against Oxy USA Inc. over the proper payment of royalties to it for CO2 from the Bravo Dome Unit, the New Mexico. Oxy

agreed to pay \$11.8 million in cash and use a new royalty formula that ties CO2 value to the price of oil, eliminates post-production deductions and reduces transportation expenses. The Court awarded \$1.4 million in attorneys' fees.

OTHER REPRESENTATIVE CASES

- Represented American Central Gas Companies in an arbitration in connection with its antitrust claims. During a two-week binding arbitration — less than two months after being ordered to arbitration — I proved that defendants, Union Pacific Resources and Duke Energy Field Services, had monopolized the market for natural gas processing in Panola County, Texas.
- Represented Unocal in an antitrust lawsuit challenging the a hostile takeover attempt by Mesa Petroleum.
- Represented Hunt Petroleum Corporation executives in connection with a suit by a great-grandson of H.L. Hunt who claimed breaches of fiduciary duty and fraud against the trustees of the trusts that owned Hunt Petroleum Corporation. During the pendency of the case, XTO purchased Hunt Petroleum. This case settled.
- Represented defendants in an action alleging breach of natural gas gathering contract. Settled during preliminary injunction hearing.
- Defended True Oil and subsidiaries against claims of tortious interference with contract in Honduras, tortious interference with prospective business relationships with the Government of Honduras, and seismic trespass in Honduras. Plaintiffs claimed damages exceeding \$100 million. The court dismissed the seismic trespass claim and entered partial summary judgment on certain interference claims. The jury verdict was for True Oil on all remaining claims.
- Represented Toolpushers on its claim concerning defective pipe. The case settled.
- Represented Black Hills on its claim for breach of contract and declaratory judgment in connection with indemnification provisions in a Master Services Agreement. The case settled.
- Defended Toolpushers in action seeking \$6.5 million in damages for alleged breach of warranty concerning casing fittings used in a well in the Gulf of Mexico. The Court granted Toolpushers' motion for summary judgment.
- Represented plaintiffs in an action for breach of contract to deliver seismic data in connection with a stock purchase. The case settled after discovery closed.
- Took over the defense and representation of Seagull Energy in several of their ongoing high stakes litigation matters including

- mineral owners' actions to terminate oil and gas leases due to alleged nonproduction by Seagull's predecessor. The cases settled.
- an action alleging repudiation of contract. Plaintiffs sought damages exceeding \$90,000,000. The case settled on confidential terms after filing pretrial order.
- an action alleging breach of indemnification provisions in a stock purchase agreement. Settled after filing pretrial order.
- action for declaratory judgment concerning gas transportation agreements. The case settled.
- Represented Enserch Exploration in an action for breach of contract over Enserch's right to use a semi-submersible drilling rig. The case settled on confidential terms after a hearing on Enserch Exploration's application for a temporary restraining order.

Honors & Distinctions

- "Recognized Practitioner – Texas, Energy: Natural Resources", Chambers U.S., 2017 & 2018
- Recommended Lawyer, Energy Litigation Gas & Oil, The Legal 500, (Legal 500), 2017 – 2023
- "Texas Super Lawyer", Law & Politics Magazine (Thomson Reuters), 2004-2021
- Martindale-Hubbell AV Preeminent Rating (2021, 2022, 2023 Martindale-Hubbell)
- Life Fellow — Texas Bar Foundation
- Fellow — Houston Bar Foundation
- Distinguished Alumni Lecturer in Agricultural Economics, University of Wisconsin
- Quality of Research Discovery Award, American Agricultural Economics Association
- Rudder Award (Outstanding Graduate), Texas A&M University
- Outstanding Conservation Rancher of the Year for Southwestern New Mexico
- New Mexico Tree Farmer of the Year

Clerkships

Honorable Thomas Gibbs Gee, United States Court of Appeals for the Fifth Circuit

Education

The University of Wisconsin, School of Law (J.D., magna cum laude)

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The University of Wisconsin (Ph.D., Agricultural Economics, Dissertation, "Legal Economic Analyses of Competition in the United States Food System;" M.A., Agricultural Economics, with distinction)

- College of Agriculture

Texas A&M University (B.S. Agricultural Economic, summa cum laude)

Admissions

Bar Admissions

- Texas
 - New Mexico
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Court Admissions

- United States Supreme Court
- U.S. Court of Appeals for the Fifth Circuit
- U.S. District Court for the Eastern District of Texas
- U.S. District Court for the Northern District of Texas
- U.S. District Court for the Southern District of Texas
- U.S. District Court for the Eastern District of New Mexico
- U.S. District Court for the Northern District of New Mexico
- U.S. District Court for the Southern District of New Mexico

Wins

Susman Godfrey Wins Pro Bono Case for First Presbyterian Church of Houston

Leadership & Professional Memberships

- Natural Resources, Energy, and Environmental Law Section for the State Bar of New Mexico, Board of Directors, 2008-present, Chair 2011
- Texas and Houston Bar Associations, 1985 – present
- CLE speaker, Texas and New Mexico
- American Bar Association, 1985 – present
- American Agricultural Economics Association, 1980 – present
- Spur Ranch Cattle Co. LLC, 500 head commercial cow – calf operation on 116,000 acres in New Mexico and Arizona, Member
- Arizona Cattle Growers' Association, Member
- New Mexico Cattle Growers' Association, Member of Board of Directors

Board and Public Service

- College of Agriculture Development Council, Texas A&M University
- Ministry to Muslims, Vice-Chairman