

Double Whammy: Susman Godfrey Wins Federal Court Jury Verdict for Apache Corporation and Files Apache's Own \$31.5 Million Suit

HOUSTON (December 15, 2014) — A federal court jury today returned a verdict in favor of Apache Corporation and rejected the multi-million dollar breach of contract allegations brought by W&T Offshore, Inc. It took the jury less than an hour to find that Apache did not breach the parties' contract.

Shortly after winning the jury trial, Apache added to W&T Offshore's already bad day by filing a new \$31.5 million lawsuit against W&T Offshore.

In July 2011, W&T Offshore filed what it called a \$20-plus million lawsuit against Apache and alleged a wide variety of claims for breach of contract, negligence, fraud, unjust enrichment, and conversion. Apache won summary judgment against all but one of W&T Offshore's claims and knocked the alleged damages down to \$4.7 million. The case proceeded to trial on W&T Offshore's breach of contract claim, which the jury today rejected.

Geoffrey L. Harrison, a partner in Susman Godfrey LLP's Houston office, was Apache's lead trial lawyer. Harrison told the jury that W&T Offshore's lawsuit was a "shakedown," and said that "Apache acted exactly the way good and ethical companies should act in the oil and gas business and, frankly, in just about every other business." Harrison called W&T Offshore's lawsuit "shameful," and said W&T Offshore should say "thank you, and apologize to Apache."

"The jury's verdict is total and complete vindication for Apache," Harrison said.

David J. Bernal, an Assistant General Counsel at Apache, called Harrison's cross-examination of W&T Offshore's damages expert "perhaps the best I've ever seen," and called Harrison's closing argument "truly outstanding."

The jury apparently agreed, swiftly returning a verdict in favor of Apache.

Susman Godfrey partner William R.H. Merrill also tried the case and said "the jury did the right thing and sent the right message to W&T Offshore."

Associate Abigail C. Noebels rounded out the Susman Godfrey trial team. Ms. Noebels examined three live witnesses during this, her first jury trial. Harrison noted that the total victory and quick justice achieved here "certainly helps set the expectations bar for Ms. Noebels at an appropriately high level."

Fresh off its win at trial, Apache turned around and hired Susman Godfrey to file a \$31.5 million lawsuit of its own against the just-vanquished W&T Offshore. Harrison, who also is Apache's lead lawyer in the new case, said Apache's trial win coupled with its new lawsuit was a "double whammy" that should be a "wake up call for W&T Offshore."

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In its new lawsuit, Apache claims that W&T Offshore breached the parties' joint operating agreement over Mississippi Canyon block #674 by refusing to pay its 49 percent share of plugging and abandonment costs for three offshore wells in the Gulf of Mexico.

The case that Apache won with today's jury verdict is *W&T Offshore, Inc. v. Apache Corporation*, Civil Action No. 4:11cv2931, in the United States District Court for the Southern District of Texas (Judge Lee H. Rosenthal).

The case that Apache filed today is *Apache Corporation v. W&T Offshore, Inc.*, in the District Court of Harris County, Texas (Judge and case number not yet assigned).