

Susman Godfrey Secures \$48.55 Million Final Judgment for Apache after Winning Federal Court Jury Verdict

Judge Confirms Jury's \$43.2 Million Award plus \$2.5 Million in Fees and Expenses and \$2.85 Million in Interest

Judge David Hittner of the U.S. District Court for the Southern District of Texas issued a final judgment in favor of Apache Deepwater LLC, upholding the \$43,214,515.83 jury verdict that Susman Godfrey won last October for Apache against W&T Offshore, Inc.

The court's final judgment awards Apache the full amount of the jury's verdict, \$43.2 million in actual damages, plus \$2.5 million in attorneys' fees and expenses, and \$2.85 million in pre-judgment interest, plus post-judgment interest. The court's final judgment in favor of Apache for a total of \$48.55 million is in addition to the \$24.8 million partial payment that Apache collected from W&T before trial, which means Apache's total recovery against W&T should exceed \$73.35 million.

"The jury awarded Apache every penny we sought in damages, and the court's final judgment confirms the jury's verdict and adds millions more in fees, expenses and interest," said Geoffrey L. Harrison, the Susman Godfrey partner who served as Apache's lead trial lawyer. "We appreciate the Court's diligence and care in getting it right."

"The jury sent a strong message to W&T regarding its actions, and it is gratifying to see the court accept the jury's verdict," said Susman Godfrey partner William R. H. Merrill who also tried the case.

Apache Deepwater (an affiliate of Apache Corporation) filed the lawsuit in December 2014 lawsuit and alleged that W&T breached the parties' operating agreement over three subsea wells in the Gulf of Mexico by refusing without justification to pay its 49% share of the costs to plug and abandon the wells. Apache had a 51% interest in the wells and was the designated operator. W&T had a 49% interest and was the non-operator.

Apache used two well-suited drilling rigs successfully and safely to plug and abandon the subsea wells in compliance with federal regulations, and invoiced W&T for its 49% share of the costs. W&T refused to pay its share of the costs because W&T had wanted Apache to use what the evidence showed was a less capable and more risky intervention vessel called the Helix 534 that W&T contended would have been less expensive.

After Susman Godfrey got involved and filed the lawsuit, W&T made a partial payment to Apache of \$24.8 million which was based on W&T's pre-operation theoretical cost estimate derived from certain counter-factual assumptions. W&T's partial payment left an unpaid balance of \$43.2 million, the exact amount that Apache sought and won in last October's jury verdict and in the Court's final judgment. After a two week trial, the jury found, on October 28, 2016, that W&T had breached the parties' contract, and the jury awarded Apache \$43.2 million in actual damages.

In addition to Harrison and Merrill, the trial team representing Apache included Susman Godfrey associates Ashley L. McMillian and Abigail C. Noebels, and Apache's Assistant General Counsel David Bernal.

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The case is *Apache Deepwater LLC v. W&T Offshore, Inc.*, Civil Action No. H-15-0063, in the United States District Court for the Southern District of Texas.