

Susman Godfrey Win in \$70 Million Louisiana Oil & Gas Case Becomes Final

NEW ORLEANS (Nov. 11, 2015) — A high-stakes oil and gas case that began more than a decade ago and went to trial six years later ended on November 2, when the Louisiana Supreme Court denied the defendants' applications for a second round of review by the high court.

The results highlight Susman Godfrey's expertise in oil and gas disputes and illustrate the firm's ability to handle legally and factually complex cases from start to finish.

The case arose from a contract that Olympia Minerals' predecessor entered into in 2000 with Aspect Resources and a predecessor of Kerr-McGee Corporation for an oil and gas project covering 135 square miles in Beauregard and Calcasieu Parishes. Aspect and Kerr-McGee agreed to conduct a 3D seismic survey on Olympia's lands and to provide Olympia with a copy of the resulting data, including in the form of raw data or field tapes. Aspect and Kerr-McGee shot only about half of the 135 square miles and provided only processed seismic data to Olympia.

Still, Aspect and Kerr-McGee claimed Olympia misused the seismic data by allowing other parties to "work" the data in a secure data room. They also alleged one of these sublessees removed the data from the data room and put it on the company's computer system. Aspect and Kerr-McGee asked for disgorgement of all profits that Olympia and the sublessees received from the productive wells plus a 5-percent royalty on future discoveries and other relief.

Olympia and the sublessees settled with Kerr-McGee before trial.

In 2012, the Beauregard Parish district court ruled that Aspect breached the parties' North Starks Project Agreement and awarded Olympia damages. The court also rejected Aspect's reconventional demand (counterclaim) for \$70 million.

Appellate proceedings in the First Circuit Court of Appeals and the Supreme Court of Louisiana reduced the damages award but preserved Olympia's victory on Aspect's theft-of-trade-secrets claim. The denial of Aspect's second set of writ applications on November 2 concludes the litigation except for an award of costs.

Barry Barnett, a partner in Susman Godfrey's Texas and New York offices, led the trial team and argued the case in the Louisiana Supreme Court. Partner Brian Melton and associate Brian Gillett, both of Houston, also played significant roles in the case.