

OIL & GAS



Husch Blackwell has advised industry incumbents and entrepreneurs for decades, assisting with every aspect of oil and gas operations, including exploration and production, transport and storage, and the purchase and sale of assets.

Our Oil & Gas group spans multiple legal disciplines and is capable of building customized teams that can address each client's particular needs.

Litigation

Our team handles contract disputes (including participation agreements, joint operating agreements, purchase and sale agreements, gas purchase agreements, lease and surface access agreements, and master service agreements); product liability and warranty claims; quiet title actions; receivership proceedings; royalty and payment disputes; trespass and conversion actions; and development and waste of resource disputes.

Transactional

We routinely assist clients with assignments, deeds, and other instruments of conveyance; due diligence; financing agreements; joint development agreements; joint operating agreements; master service agreements; oil and gas leases; participation agreements; pipeline and other easement agreements; natural gas pipeline interconnection agreements; natural gas offtake agreements; pooling agreements; production sharing

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agreements; purchase and sale agreements; saltwater disposal agreements; sand mining leases and supply agreements; surface use agreements; title curative instruments; and water purchase and use agreements.

Regulatory

We have ample experience tackling our clients' toughest regulatory challenges at the federal level, including administrative disputes before Interior Board of Land Appeals and rate proceedings before the Federal Energy Regulatory Commission. We also have guided clients through project development on federal land, including the preparation of environmental assessments and environmental impact statements. Our team is conversant with all federal law bearing on oil and gas operations and provides regulatory compliance advice in connection with the National Environmental Policy Act, Natural Gas Act, Endangered Species Act, Resource Conservation and Recovery Act, Clean Air Act, and the Federal Land Policy and Management Act, among others.

Reorganizations & Insolvency

Our team also has substantial experience assisting oil and gas clients—and their investors—in financial distress or those assessing strategic options for reorganizing and restaging their businesses. Our team guides clients through reorganizations and workouts and represents creditors, asset purchasers, debtors, and trustees in Chapter 7 and 11 bankruptcy cases, out-of-court restructurings, and bankruptcy-related litigation.

Representative Experience

Litigation

Served as lead trial counsel for an oil and gas midstream client in a five-day bench trial concerning competing claims for breach of contract that involved the operation of an upstream gas gathering system and the build-out and operation of a midstream gas processing plant and related infrastructure.

Defended upstream oil and gas producers in vendor suits involving product liability, breach of warranty, and negligence claims.

Successfully conducted the oral argument before the Tenth Circuit Court of Appeals concerning Fed. R. Evid. 702 issues and contract-formation issues involving elections to participate and joint operating agreements in *Bill Barrett Corp. v. YMC Royalty Co., LP*, 918 F.3d 760.

Served as trial counsel for regional oil and gas client, obtaining federal jury verdict awarding one of largest monetary verdicts in state of Colorado in 2017.

Served as lead trial counsel in a five-day federal jury trial, prosecuting precedent-setting breach of contract claims and defending against counterclaims of fraud and negligent misrepresentation.

Successfully conducted appellate argument before North Dakota Supreme Court in defense of client's summary judgment victory concerning deed interpretation and

jurisdictional issues of first impression in North Dakota.

Defended an upstream producer in a five-day federal jury trial, concerning claims of bad faith trespass, tortious interference, conversion, and civil theft and for permanent injunctive relief.

Defended against claims of fraud and for declaratory judgment relating to ownership of oil and gas interests and obtained decision affirming dismissal of case and award of appellate attorneys' fees from Colorado Court of Appeals.

Dismissed claims of trespass, fraud, breach of fiduciary duty, and conversion, seeking judicially supervised winding up of partnership, and for an accounting, and obtained opinion affirming dismissal from Colorado Court of Appeals.

Transactional

Represented CorEnergy Infrastructure Trust in purchase of a subsea, midstream pipeline system and related onshore facilities in Louisiana for \$245 million, including related leaseback transaction.

Represented client in formation of joint venture with a leading global private equity and infrastructure investment firm to finance and own midstream energy projects in the Delaware Basin.

Represented client in the negotiation and preparation of joint development agreement with a private equity firm to purchase, own, and operate upstream energy assets in the Eagle Ford and Austin Chalk Formations.

Represented client in the sale and disposition of multiple operated-by-other (“OBO”) wellbores upon the receipt of well proposals, and ensure client remained in good-standing under the applicable operating agreements.

Represented client in the negotiation and preparation of “acreage swap agreements” and ancillary documents, covering lands located in the Eastern Shelf of the Permian Basin.

Represented client in the divestiture of leasehold working interests covering acreage and wells located in the Eagle Ford.

Represented clients in the negotiation and preparation of Joint Operating Agreements, as Operator and as Non-Operator, covering lands and specific allocation or production sharing wells.

Represented client in the negotiation and preparation of Production Sharing Agreements for wells crossing multiple producing units and unpooled tracts of land, including public roads and riverbeds owned by the State of Texas.

Represented owners, operators, and service providers in the preparation and negotiation of Master Service Agreements and associated Work Orders.

Advised governmental agency on leasing and operation of petroleum products terminal; advised terminal owner on compliance with federal antitrust decree.

Assisted with lease of tanker trucks for distribution of refined products to service stations.

Provided regulatory counsel to purchasers of interests in crude oil and refined products pipelines.

Advised purchaser of petroleum products terminal on terminal operations and services agreement.

Advised owner of petroleum products terminal on issues related to jet fuel storage.

Advised a midstream the client regarding the preparation of a gas purchase agreement with its upstream producers.

Negotiated and prepared master service agreements and vendor contracts on behalf of oil and gas exploration companies in Colorado for trucking and other services.

Prepared oil and gas company operating agreements and advised the client on the private offering of securities.

Drafted assignments and bills of sale as part of an exploration company's asset divestiture plan.

Prepared drilling and division order title opinions and conduct due diligence for leasehold and other asset acquisitions for lands located in Colorado, as well as advised clients on numerous real property and conveyancing issues.

Regulatory

Represented major producer and shipper of natural gas in rate proceedings before Regulatory Commission of Alaska (RCA); contested issues included rate design, rate base, depreciation, and allocation of corporate overhead; successfully negotiated favorable settlements.

Represented interstate natural gas pipeline before Federal

Energy Regulatory Commission (FERC) in proceeding to obtain authority to abandon existing natural gas pipeline and obtain certificate of convenience and public necessity to construct new interstate natural gas pipeline in one of the few instances of proprietary natural gas pipeline service.

Advised generators and power marketers on "Open Access" policies and regulations.

Represented generators and power marketers in generator interconnection issues.

Represented generators and power marketers in applications for market-based rate authority under Section 205 of Federal Power Act (FPA).

Represented power marketers and generators in applications for transfer of jurisdictional assets pursuant to Section 203 of FPA.

Advised customers of interstate natural gas pipeline on cost-of-service rate proceedings pursuant to Section 4 of the Natural Gas Act.

Represented midstream energy company in drafting letter and obtaining signatures from approximately 15 members of Congress urging governor of New York and his executive agencies to approve construction of underground natural gas storage facility in New York.

Defended against National Environmental Policy Act (NEPA), Federal Land Policy and Management Act (FLPMA), and Clean Air Act (CAA) challenges to Environmental Impact Statement (EIS) and Environmental

Assessment (EA) level projects on public lands in Utah.

Defended client against Clean Water Act (CWA) and Resource Conservation and Recovery Act (RCRA) claims arising from oil spill in Gulf of Mexico in federal court in Louisiana.

Prepared amicus curiae brief for the Tenth Circuit Court of Appeals regarding surface access and use within federal oil and gas units.

Defended and prosecuted challenges to Bureau of Land Management oil and gas lease sales, application for permit to drill approvals and EA approvals before Interior Board of Land Appeals (IBLA) and Utah State Director.

Prepared comments on behalf of oil and gas companies and industry trade association regarding proposed onshore federal regulations and EIS approvals.

Represented oil and gas companies before Colorado Oil and Gas Conservation Commission (COGCC) for notices of alleged violations and enforcement matters.

Defended against challenges to spacing and pooling applications and waterflood stimulation program before COGCC.

Navigated litigation and settlement of oil pipeline rates before FERC and various state commissions involving full range of cost-of-service analysis, including cost of capital, depreciation, operating and maintenance expenses, income tax allowance, allocation of parent company overhead, rate design, and regulatory throughput volume on behalf of

clients.

Successfully opposed substantial rate increases filed with FERC ranging from 30 to 105 percent on refined products and natural gas liquids pipeline; negotiated settlement providing for rate reductions, temporary rate freeze, and settlement payment for shippers.

Represented shipper of crude oil in rate proceeding before FERC and RCA involving initial rates on new crude oil pipeline on North Slope; successfully negotiated favorable settlement providing for rate reduction of 37 percent and requirement to file full cost-of-service rate case within three years.

Successfully opposed rate increase of 76 percent proposed by interstate product pipeline; client received substantial refunds as part of settlement reducing rate increase to 23 percent.

Represented shippers of crude oil in rate proceeding before FERC involving initial rates for newly reversed crude oil pipeline; final commission order resulted in rate reductions of approximately 60 percent.

Successfully blocked proposed open-ended surcharge filed with FERC to recover hurricane recovery costs at crude oil terminal in Louisiana; under settlement, recoverable expenses were capped and duplicative temporary pumping surcharge was dropped.

Successfully challenged previously nonjurisdictional rate for connecting line service in Los Angeles; final FERC order

found that rate should be reduced from 5.0 to 0.85 cents per barrel.

Successfully filed complaints against interstate petroleum product pipelines and obtained favorable rate settlements concerning the same.

Represented major refiner and marketer of gasoline, diesel, and jet fuel in first fully litigated protest to proposed index rate increase by major refined products pipeline; FERC Presiding Judge granted shippers' motion for summary disposition prior to hearing.

Represented shippers in one of the few successful complaints against proposed index rate increases at FERC.

Represented shippers of crude oil in opposing applications before FERC for market-based rates on crude oil pipelines, successfully delaying implementation of market-based rates and saving clients millions of dollars in increased transportation costs.

Represented refining interests in oil pipeline complaint and rate-making proceedings involving issues related to, among others, substantially changed economic circumstances and grandfathered rates under Energy Policy Act of 1992.

Successfully represented shippers of crude oil in complaint and protest against major crude oil pipeline's prorationing policies; spearheaded group of shippers to craft alternative prorationing policy and technical conference and obtained unprecedented order from FERC ordering adoption of shipper proposal.

Bankruptcy & Insolvency

Represented Chapter 7 Trustee in the liquidation of federal oil and gas leases located on the outer continental shelf near Louisiana.

Represents large, publicly traded oil and gas service company in all of its creditors' rights work nationwide.

Represents large multinational oil and gas company in its creditors' rights matters.

Represented large, publicly traded oil and gas company as conflicts counsel in its Chapter 11 case in Houston.

Represented mid-sized oil and gas exploration company in its Chapter 11 case in Plano, Texas.

Represented Nigerian affiliate of foreign multinational oil and gas company as creditor in Chapter 11 case in Houston.

Represented mid-stream company in out-of-court restructuring and asset sale of Colorado-based exploration and production company.