

49TH ANNUAL ERNEST E. SMITH

Oil, Gas and Mineral Law Institute

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Houston, TX

Available via Live Webcast



The University of Texas at Austin
School of Law

UT LAW CLE



OIL, GAS & ENERGY RESOURCES LAW
SECTION OF THE STATE BAR OF TEXAS

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ERNEST E. SMITH OIL, GAS AND MINERAL LAW INSTITUTE

Devon v. Sheppard:

Is Royalty Owed on Gross Proceeds or
Gross Proceeds Plus?



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OIL, GAS & ENERGY RESOURCES LAW
SECTION OF THE STATE BAR OF TEXAS



Charles (Skip) Watson

Greenberg Traurig, LLP
Austin, TX



Jordan K. Mullins

McGinnis Lochridge
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CAUSE NO. 12-12-22,501

MICHAEL A. SHEPPARD, CONSTANCE S.
KIRK, JENNIFER S. BADGER, FRANK B.
SHEPPARD, JAMES K. CRAIN,
CHRISTOPHER M. CRAIN, JAMES K.
CRAIN, III, PATRICK G. CRAIN AND
SHIRLEY R. CRAIN,

Plaintiffs

v.

GEOSOUTHERN DEWITT PROPERTIES,
LLC, PETROHAWK PROPERTIES LP,
GEOSOUTHERN ENERGY CORPORATION,
AND PETROHAWK ENERGY
CORPORATION,

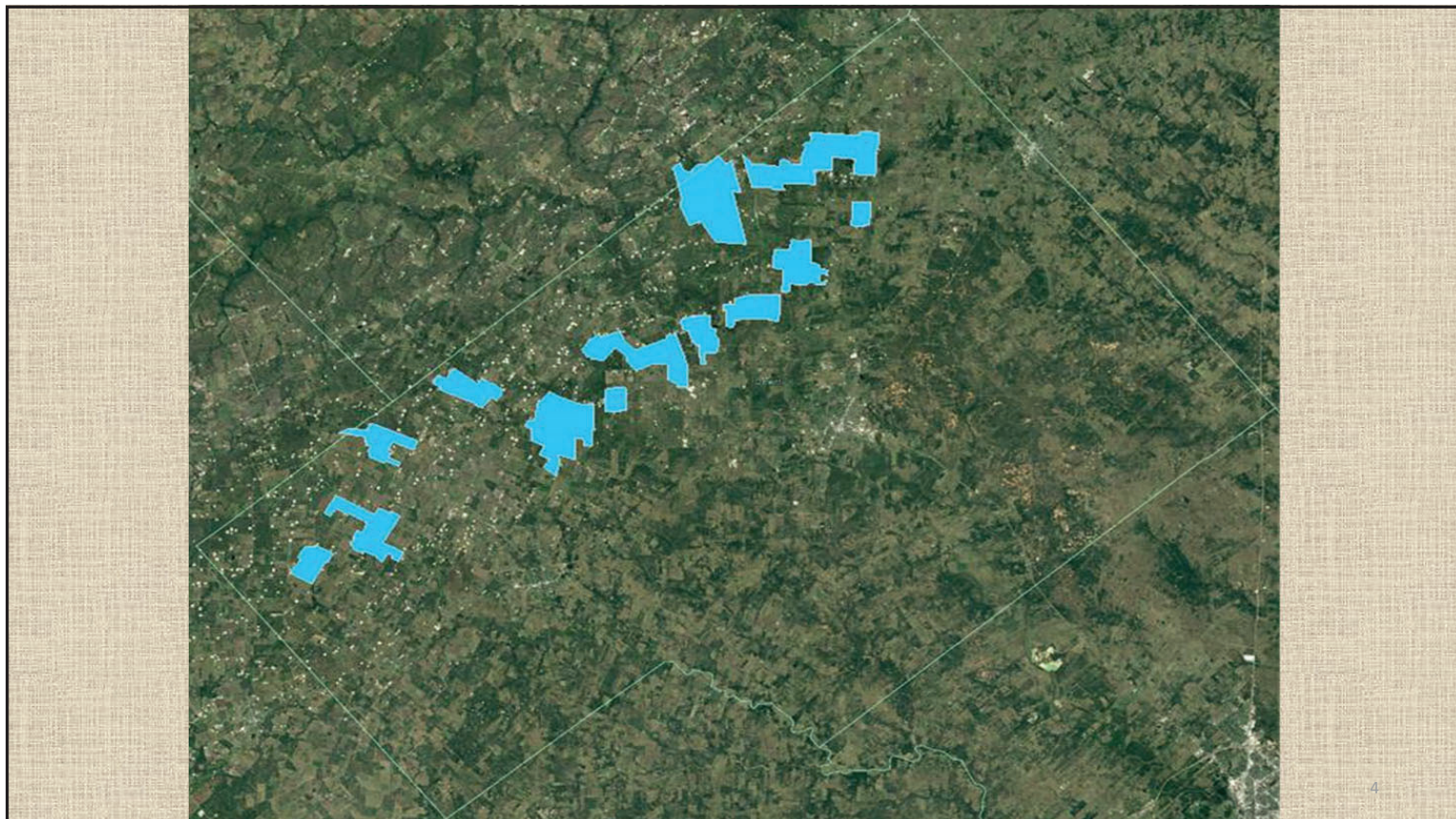
Defendants

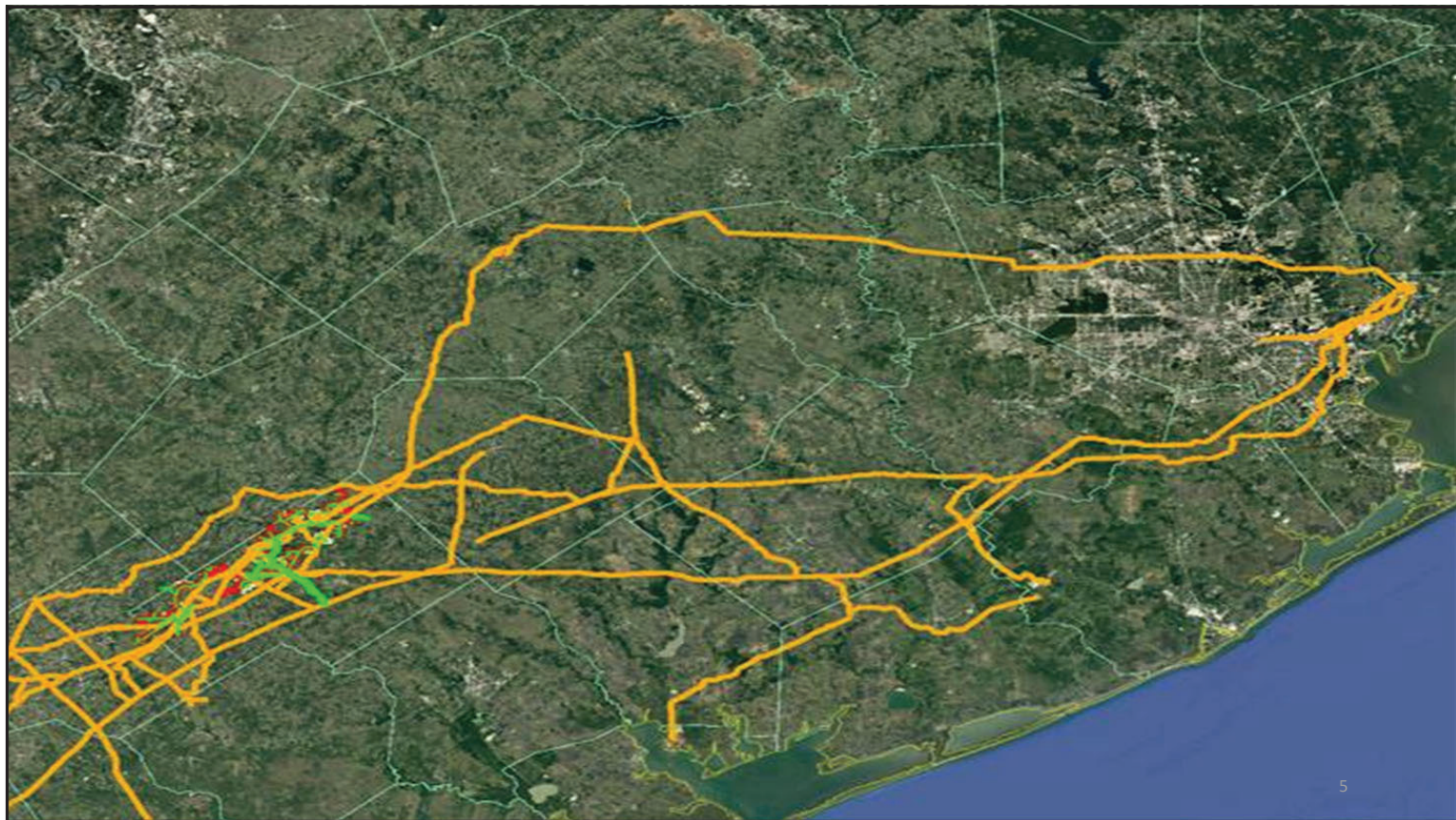
IN THE DISTRICT COURT

OF DEWITT COUNTY, TEXAS

94th JUDICIAL DISTRICT

PLAINTIFFS' ORIGINAL PETITION





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Case Background

1. Dispute Centers Around Unique Language in O&G Lease
2. Add To Gross Proceeds Language - If Ds' dispositions, contracts, or sales include reduction or charge → add reduction/charge to GP before calculating Ps' Royalty

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Title search: Devon v. Sheppard: Is Royalty Owed on Gross Proceeds or Gross Proceeds Plus?

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"*Devon v. Sheppard*: Is Royalty Owed on Gross Proceeds or Gross Proceeds Plus?"