

Arbitrator's Undisclosed Relationships Sink Oil and Gas Awards

An arbitrator's failure to disclose his longstanding business relationships with one of the parties requires setting aside the arbitration awards, the U.S. District Court for the Southern District of Texas ruled, according to **Bloomberg Law**.

Reporter Brian Flood writes that Patrick Long, part of a three-member arbitration team, heard a contractual dispute over joint oil and gas operations between OOGC America LLC and Chesapeake Exploration LLC. But the court found that Long lied when he "claimed that he did not have professional or social connections with the parties or witnesses."

"In reality, Long was a long-time business partner of Yong Siang Goh, the board chairman of FTS International Inc., an affiliate of Chesapeake Exploration," Flood writes. "In addition, Long failed to disclose that he had represented FTS as a lawyer, that FTS's deputy general counsel was a former partner at his law firm, and that his law firm had employed Goh's daughter."

The court vacated the awards.

Read the Bloomberg Law article.