My Mineral Producer has Filed Bankruptcy – Now What?

As the dreaded packet arrives in the mail from a Bankruptcy Court, many mineral owners are being introduced to the third "B" of the oil business – Boom, Bust, Bankruptcy. **Wade Caldwell** and **Zach Fanucchi** of **Barton, East & Caldwell** in San Antonio offer a **quick primer**, published on **EagleFordForum.com**, for mineral owners faced with this situation.

The authors say a mineral owner should usually look at bankruptcy issues in the following order:

- What kind of bankruptcy has been filed?
- What kind of legal relationship do I have with the bankrupt company?
- What can I do in response to the bankruptcy filing?
- How does this affect the royalties I am owed, or that will become due?
- How does this affect my lease?

They explain the different types of bankruptcy, tell mineral owners what they can do in response, describe the complete process, tell how long it can take, and explain how the process can affect a lease and royalties.

Read the article.