

Royalty Owners Seek Class-Action Status Against Talisman Energy USA

Royalty owners are seeking class-action status in a lawsuit against Talisman Energy USA, Inc. over claims the company manipulated production volumes for wells operated in the Eagle Ford shale basin in South Texas, according to a post on the website of **Androvett Legal Media and Marketing**.

Attorneys for plaintiffs Rayanne Regmund Chesser, Gloria Janssen, and Michael and Carol Newberry filed a motion Jan. 22, 2018, seeking class certification in U.S. District Court for the Southern District of Texas and named lawyers Bryan O. Blevins Jr. and Mike Hamilton of **Provost Umphrey Law Firm, L.L.P.**, to represent the class. The lawyers estimate approximately 4,000 royalty owners could be involved.

“It’s clear that Talisman knew what they were doing when the company voluntarily commingled production from different wells and then allocated net sales in violation of best oilfield practices and Texas law,” said Blevins. “We intend to prove that the amounts paid to the royalty owners were based on manipulated production volumes.”

The lawsuit charges that from Jan. 1, 2013, to June 1, 2016, Talisman failed to report, account for and make royalty payments based on its lease agreements. In addition, the company is accused of altering wellhead production volumes by as much as 20 percent and paying royalties based on estimated sales volumes instead of the actual amount of oil or gas sold or saved.

In 2010, Talisman entered the Texas oil and gas market in a joint venture with Statoil. In July 2013, the agreement was revised, with Statoil assuming half the well operations and

Talisman operating the other half. Shortly after that, royalty owners noticed a difference in reported production volumes from Talisman compared to Statoil.

Talisman Energy USA is an indirect subsidiary of Calgary, Alberta-based Talisman Energy Inc., which was acquired by Repsol S.A. in 2015.

The case is Rayanne Regmund Chesser, Gloria Janssen, Michael Newberry and Carol Newberry v. Talisman Energy USA, Inc. No. 4:16-cv-02960 in the U.S. District Court for the Southern District of Texas, Houston Division.