

An Indemnity Agreement Means What it Says

Charles Sartain offers a reminder that a court will (if it's doing its job) enforce an agreement according to what it actually says, not by that which one party or the other would have liked it to say or imagines that it said.

Writing in Gray Reed's **Energy & the Law** blog, Sartain discusses *Claybar v. Samson Exploration*. That case involved an agreement over an indemnity clause in a contract for the drilling of petroleum wells and related operation on property owned by Claybar.

Sartain presents the facts of the case, including a break-down of both side's positions.

"Generally, indemnity agreements do not apply to claims between the parties but apply to claims made by others who are not parties to the agreement," Sartain writes. "However, the parties can write an agreement to indemnify one another against claims they later assert against each other. To do so, the parties must expressly and specifically state that intention."

Read the article.