

Class Action Royalty Litigation in the Shale Plays

A recent article posted on the website of Haynes and Boone analyzes nationwide trends in the filing and certification of royalty class action cases, which result in much greater exposure to producers than individual royalty owner cases. For example, in the past five years, producers have settled class actions for amounts in excess of \$80 million.

“Ninety-six putative class actions filed during the period from 2001 to the present are analyzed in this article. Since Congress enacted the Class Action Fairness Act of 2005 (CAFA), most of these cases were litigated in federal court,” write **David Ammons** and **Mike Stewart**.

“These cases deal almost exclusively with alleged underpayment of natural gas royalties (oil royalty litigation rarely arose during the period analyzed).”

Read the article.