

Trial Teams Win \$61M in Two Cases

Lawyers with Dallas-based **Gruber Hurst Elrod Johansen Hail Shank** won a \$33 million verdict in a gas transportation contract dispute and a \$28 million verdict in a fraud/fiduciary breach claim in the oil patch in recent weeks.

A Minnesota federal court has entered a **\$32.9 million judgment** on behalf of Great Lakes Gas Transmission Limited Partnership, a Houston-based interstate natural gas pipeline company, finding that an Indian conglomerate violated the company's contract to provide natural gas transmission services. The judgment was entered on September 16 by U.S. District Judge Susan Richard Nelson, following a jury trial in Duluth.

"This case has been resolved after more than six years of attempts by the defendants to avoid the simple principle of honoring a written contract," says attorney **David W. Elrod** of Gruber Hurst Elrod Johansen Hail Shank, who represented Great Lakes throughout the litigation. "Given the issues involved and the size of this judgment, the case offers important precedents for determining an appropriate discount rate in future litigation involving long-term contracts, as well as federal court jurisdiction."

In the other case, a Texas jury **has awarded more than \$60 million** to two groups of oil and gas investors who were defrauded of significant profits from oil and gas production leases covering thousands of acres in West Texas. The Aug. 19 verdict includes more than \$28 million awarded to Lowry Hunt of Mansfield's L.W. Hunt Resources and Richard Raughton of Fort Worth, and is believed to be the largest ever in Fisher County and the surrounding counties.

The 3½-week trial heard in Judge Glen Harrison's 32nd District

Court included evidence that attorney Kerwin Stephens of Stephens & Myers in Graham and Abilene oilman Chester Carroll of Alpine Petroleum concocted a fraudulent scheme to cut existing partners out of an oil and gas partnership and take the profits for themselves.