

Wave Goodbye to Unenforceable Mineral Lien Waivers

Two Gray Reed lawyers give their take on a recent Texas appellate court's ruling in *Mesa v. Deep Energy*, an opinion that will have profound impacts on mineral liens and contractual provisions purporting to waive mineral liens.

Writing on the firm's **website**, Ethan Wood and Joe Virene describe the case in which Mesa sued Deep Operating for failing to pay fully for work Mesa performed on three wells. Deep Operating's parent company claimed that Mesa contractually waived its right to assert liens against Deep Operating's wells and waived its right to seek payment on the contract from any entity other than Deep Operating, which at that point was in bankruptcy.

"Relying on a 2012 case out of the Dallas Court of Appeals and a 2015 decision from the Texas Supreme Court, the Houston Court concluded that when a party to a contract agrees to seek payment or damages only from one source to the exclusion of all others, that party has effectively waived its rights to such payment or damages from other parties," the authors write.

Read the article.