



TERREBONNE PARISH ASSESSOR, ALLEGING FRAUD, FILES MORE THAN 30 SUITS AGAINST OIL AND GAS COMPANIES

The Assessor for the Parish of Terrebonne (the “Assessor”) has filed more than 30 suits against oil and gas companies in the United States District Court for the Eastern District of Louisiana. In each of these suits, the Assessor contends that the company underreported, misreported, or did not report oil and gas drilling and production equipment on its annual property tax rendition forms (“LAT-12”). The Assessor contends that each company not only has failed to properly report its property taxes, but has also committed “fraud” and violated the Racketeering Influenced and Corrupt Organizations Act (“RICO”). The Assessor has also named at least one individual who allegedly committed fraud in preparing and filing the rendition forms.

In each suit, the Assessor seeks back taxes for the period 1998–2008, along with interest, penalties, and attorney’s fees. The Assessor also seeks treble damages as provided for under the federal RICO statutes. For many of the companies, the claims that they face are many millions of dollars. In fact, several companies face claims of over \$50 million. While there are many possible defenses to the claims alleged by the Assessor, these suits pose a significant concern for each company named as a defendant.

Jones Walker has a team of attorneys with experience and expertise in each of the disciplines (RICO, federal court procedure, offshore oil and gas exploration and development, and ad valorem property tax) needed to provide a proper and cost-efficient defense for the claims alleged by the Assessor. The suits are currently being served on the companies by the outside plaintiff’s counsel representing the Assessor, and, as such, the time to respond (usually 60 days) is running. If you have any questions regarding these matters or would like additional information, please do not hesitate to contact anyone on the Jones Walker team identified below, or any contact at the firm. A list of the companies that have been sued is included below as well. It is a certainty other Parishes will follow suit in filing claims against these and other companies.

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Companies that have already been sued:

Dimension Energy C.B., L.L.C.

ExPert Oil & Gas, LLC

Merit Energy Company

Helis Oil & Gas Company

Meridian Resources & Exploration

Badger Oil Corp.

Texas Petroleum Investment Co.

Rapiere Resources Company

BTA Oil Producers, LLC

Cimarex Energy Company

Burlington Resources Oil & Gas

Energy Properties, Inc.

Forest Oil Corporation

Maritech Resources, Inc.

PetroQuest Energy, Inc.

Apache Corporation

Stone Energy Corp.

Tellus Operating Group, LLC

Renaissance Petroleum Company

Petsec Energy, Inc.

Chaparral Energy, LLC

Energy XXI Gulf Coast, Inc.

Hilcorp Energy Company

LLOG Exploration Company

Palace Operating Company

Brammer Engineering, Inc.

Wagner Oil Co.

Phoenix Exploration Co., L.P.

Castex Energy, Inc.

Desco Oil Company

La. Land & Exploration Co.



Remember that these legal principles may change and vary widely in their application to specific factual circumstances. You should consult with counsel about your individual circumstances. For further information regarding these issues, contact:

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