8

VELMA ANN MYLES Plaintiff.

v.

XTO ENERGY, INC., CHESAPEAKE EXPLORATION COMPANY, LLC. VANTAGE ENERGY, LLC, TITAN OPERATING, LLC, CHIEF OIL & GAS, LLC, QUICKSILVER RESOURCES, INC., KEYSTONE EXPLORATION, LTD, CARRIZO OIL & GAS, INC., TRINITY EAST ENERGY, LLC, PERMIAN LAND COMPANY, a Division of DEVONIAN ENTERPRISES, INC., FRED W. JONES, Individually and/or d/b/a DEVONIAN ENTERPRISES, INC., DALE PROPERTY SERVICES, LLC, THE CAFFEY GROUP, LLC, FOUR SEVENS ENERGY CO, LLC, BRYSON KUBA, LP, LLANO OPERATING, CORP, and CHEAHA LAND SERVICES, LLC § Defendants.

IN THE DISTRICT O

DALLAS COUNTY, TEXAS

th JUDICIAL DISTRICT

PLAINTIFF'S ORIGINAL PETITION, CLAIM FOR DAMAGES AND APPLICATION FOR INJUNCTIVE RELIEF

§

TO THE HONORABLE COURT:

Now comes Velma Myles, Plaintiff herein, complaining of XTO ENERGY INC., CHESAPEAKE EXPLORATION COMPANY, LLC, VANTAGE ENERGY, LLC, TITAN OPERATING, LLC, CHIEF OIL & GAS, LLC, QUICKSILVER RESOURCES, INC., KEYSTONE EXPLORATION, LTD, CARRIZO OIL & GAS, INC., TRINITY EAST ENERGY, LLC., PERMIAN LAND COMPANY, a division of DEVONIAN ENTERPRISES, DEVONIAN ENTERPRISES, INC. FRED W. JONES, DALE PROPERTY SERVICES, LLC, THE CAFFEY GROUP, LLC, FOUR SEVENS ENERGY CO, LLC, BRYSON KUBA, LP,

LLANO OPERATING, CORP, and CHEAHA LAND SERVICES, LLC, and for cause of action would show this Honorable Court as follows:

1.0 <u>Discovery Level and Local Rule 1.06 Disclosure</u>

- 1.01 Plaintiff intends to conduct discovery in this case as a Level 2 case pursuant to Rule 190.3 of the Texas Rules of Civil Procedure.
- Plaintiff believes this is a related case, as defined by Local Rules, to Cause Number 09-09896, Booth v. XTO Energy, Inc..

2.0 <u>Jurisdiction and Venue</u>

- 2.01 Jurisdiction is proper in this Court as the amount in controversy is within the jurisdictional limits of this Court.
- 2.02 Venue is proper in this County pursuant to Section 15.001 et seq of the Texas Civil Practice and Remedies Code and pursuant to Section 15.01 et seq of the Texas Business and Commerce Code as one or more of the Defendants is a resident of this County.

3.0 Parties

- 3.01 Plaintiff is an individual Texas resident residing within Tarrant County, Texas.
- 3.02 Defendant XTO Energy, Inc. ("XTO") is a Delaware corporation licensed to do business in the State of Texas, and maintains its principal place of business within Tarrant County, Texas. Defendant XTO can be served by serving its agent for service of process, Frank G. McDonald, 810 Houston Street, Suite 2000, Fort Worth, Texas, 76102.
- 3.03 Defendant Chesapeake Exploration, LLC ("Chesapeake") is an Oklahoma Limited Liability Company registered to do business in the State of Texas, which can be served

- through their registered agent for service of process, CT Corporation System, at 350 North St. Paul Street, Dallas, TX 75201.
- Defendant Vantage Energy, LLC is a Delaware Limited Liability Company that is registered to do business in the State of Texas but which does not maintain an registered agent for service of process in the State of Texas. Accordingly, it has deemed to have designated the Texas Secretary of State as its agent for service of process. Vantage can be served with process through their agent, the Texas Secretary of State, which can then forward the citation and copy of the Plaintiff's Original Petition together with all other documents, by certified mail, return receipt requested, to Vantage's principal place of business, c/o Roger J. Biemans, CEO, 116 Inverness Drive East, Suite 107, Englewood, Colorado, 80112-5125.
- 3.05 Defendant Titan Operating, LLC is a Texas Limited Liability Company, which can be served through their registered agent for service of process, Chris Hammack, 500 Main Street, Suite 910, Fort Worth, Texas 76102.
- 3.06 Defendant Chief Oil & Gas, LLC is a Texas Limited Liability Company, which can be served through their registered agent for service of process, David M. Hundley, 8111 Preston Road, Suite 600, Dallas, Texas, 75225.
- 3.07 Defendant Quicksilver Resources, Inc. is a foreign corporation licensed to do business in the State of Texas, which can be served through their registered agent for service of process, CT Corporation System, 350 North St. Paul Street, Suite 2900, Dallas, TX, 75201.

- 3.08 Defendant Keystone Exploration, Ltd. is a Texas limited partnership, which can be served through their registered agent for service of process, Thomas B. Blanton, 777 Main Street, Suite 3100, Fort Worth, Texas 76102.
- 3.09 Defendant Carrizo Oil & Gas, Inc. is a Texas corporation, which can be served through their registered agent for service of process, CT Corporation System, 350 North St. Paul Street, Dallas, Texas 75201.
- 3.10 Defendant Trinity East Energy, LLC is a Texas Limited Liability Company, which can be served through their registered agent for service of process, D. Stephen Fort, 777 Main Street, Suite 3100, Fort Worth, Texas 76102.
- division of Devonian Enterprises, Inc., which does not appear to be licensed and/or registered to do business within the State of Texas, and is therefore deemed to have designated the Texas Secretary of State as its agent for service of process. Further, as Permian is not registered to do business in the State of Texas, its owner, Devonian Enterprises, Inc., is personally liable for all obligations, debts and liabilities of Permian. Permian can be served with process through their registered agent for service of process, the Texas Secretary of State, who can then forward the citation and copy of the Plaintiff's Original Petition together with all other documents, by certified mail, return receipt requested, to the offices of Permian Land Company at its place of business in Tarrant County located at Permian Land Company, P.O. BOX 1226, Fort Worth, Texas, 76101.
- 3.12 Defendant Devonian Enterprises, Inc. ("Devonian") is apparently a foreign corporation that is not licensed and/or registered to do business in the State of Texas, and is

therefore deemed to have designated the Texas Secretary of State as its agent for service of process within the state. Further, as Devonian is not registered to do business in the State of Texas, its owner, Fred W. Jones, is personally liable for all obligations, debts and liabilities of Permian, Devonian and all purported employees of either Permian and/or Devonian. Devonian can be served with process through their registered agent for service of process, the Texas Secretary of State, who can then forward the citation and copy of the Plaintiff's Original Petition together with all other documents, by certified mail, return receipt requested, to Devonian's owner, Fred W. Jones, at his address, 4200 N. Meridian, #939, Oklahoma City, Oklahoma 73112.

- 3.13 Fred W. Jones, Individually and/or d/b/a Devonian Enterprises, Inc. is apparently a citizen of the State of Oklahoma and the purported owner of Permian and Devonian, and does not maintain a registered agent for service of process in the State of Texas. Accordingly, he is deemed to have appointed the Texas Secretary of State as his agent for service of process. Defendant Jones can be served with process through the Texas Secretary of State, who can then forward the citation and copy of the Plaintiff's Original Petition together with all other documents, by certified mail, return receipt requested, to Fred W. Jones at his address 4200 N. Meridian, #939, Oklahoma City, Oklahoma 73112.
- 3.14 Defendant Dale Property Services, LLC is a Texas Limited Liability Company, which can be served through their registered agent for service of process, Brandon Buford, 2100 Ross Avenue, Suite 1870, Dallas, Texas 75201.
- 3.15 Defendant The Caffey Group, LLC is a foreign limited liability corporation, which is licensed to do business in the State of Texas, and can be served through their registered

- agent for service of process, Mark Caffey, 309 West 7th Street, Suite 400, Fort Worth, Texas 76102.
- 3.16 Defendant Four Sevens Energy Co., LLC is a Texas Limited Liability Company, which can be served through their registered agent for service of process, Marty Searcy, 201 Main Street, Suite 1455, Fort Worth, Texas 76102.
- 3.17 Defendant Bryson Kuba, LP is a Texas Limited Partnership, which can be served through their registered agent for service of process, Kubaco Consulting, Inc., 133 Lakeside Drive, Malakoff, Texas 75148.
- 3.18 Defendant Llano Operating, Corp., is a Texas corporation, which can be served through their registered agent for service of process, Steve Looper, 7201 I-40 West, Suite 321, Amarillo, Texas 79106.
- 3.19 Cheaha Land Services, LLC is a Texas Limited Liability Company, which can be served through their registered agent for service of process, Scott Weathington, 37 Harbour Point Circle, Fort Worth, Texas 76179.

4.0 Factual Background

- 4.01 Plaintiff is the sole owner of real property located within Tarrant County, Texas known as 5507 Portsmouth Drive, Arlington, Texas 76018 ("the Property"), which is part of the Newport Village Neighborhood.
- 4.02 This lawsuit arises as a result of Defendant XTO's breach of the contract between the Plaintiff and XTO due to XTO's failure and refusal to comply with the terms and conditions of the agreement including the issue of a check to the Plaintiff in the full amount owed for the bonus payment.

- 4.03 The Property overlays the geographic strata known as the Newark East Field, commonly referred to as the Barnett Shale, a known and recognized formation which is characterized by prolific natural gas production.
- 4.04 Beginning in or about early 2007, Plaintiff began receiving unsolicited offers to lease the Property for the production of oil, gas and other minerals from several different persons and entities purporting to represent various gas companies.
- 4.05 Plaintiff contacted Permian and scheduled a meeting with a landman to discuss the content of the materials they had mailed to her residence. The Permian landman never attended or called to cancel the meeting. As a result, Plaintiff decided to allow her local homeowners' coalition to negotiate on her behalf.
- 4.06 The Property lies within the boundaries of the homeowners' coalition known as the South East Arlington Coalition of Texas. ("SEACTX"). SEACTX is a coalition of homeowners, homeowners' associations and/or neighborhoods, including the Plaintiff and other homeowners within the Newport Village Addition, which are located in reasonable geographic proximity to each other and which agreed to cooperate with each other and to undertake negotiations with various oil and gas entities on behalf of the homeowners whose lands are contained within its geographical boundaries for the leasing of such lands (including the Property) on the most economically favorable terms that SEACTX could negotiate.
- 4.07 SEACTX, on behalf of the Plaintiff and others similarly situated, undertook negotiations with Chesapeake, XTO, and others to lease Plaintiff's Property and on or about April 25, 2008, SEACTX and XTO agreed to the terms and conditions of a lease

- covering all lands within the SEACTX geographical boundaries, including the Property.
- 4.08 Plaintiff was notified of the agreement with SEACTX and XTO, Plaintiff accepted the terms that were offered, and Plaintiff complied with every term of the contract. She has done everything XTO and its agents have asked of her.
- 4.09 Plaintiff contacted Permian and requested a W-9 form be mailed to her residence, which upon receipt the Plaintiff executed and submitted back to Permian. When Plaintiff submitted her W-9 form she was married to Mr. Lynn Sadler ("Sadler") and the legal name that appeared on her Texas Drivers' License was Velma Sadler. Since 1991 the title to the Property has remained under the name Velma Myles, which was the Plaintiff's name at the time of purchase. Plaintiff purchased the Property before her marriage to Sadler and the Property remained the separate property of Plaintiff during and after the dissolution of the marriage in April of 2009. Following Plaintiff's divorce from Sadler she has changed her surname back to Myles.
- On or about July 15, 2008 Plaintiff received a letter from Permian verifying that it had received her W-9 and that they would send her notice regarding the lease signing party.
- 4.11 Plaintiff, without any notice, attended two signing parties in July 2008. The first signing party was at a church on New York Avenue near Tarrant County Community College Southeast Campus. Plaintiff left the location because nobody else showed up.
- 4.12 Plaintiff along with her son, Earnest Lee Myles III, went to a second signing party, held at a church on Collins Street, Arlington. An employee of Permian at the signing party had a prepared lease and check made out for the Plaintiff and Sadler. The check was for approximately Three Thousand Dollars (\$3,000). Plaintiff did not sign the lease

- because it improperly listed Sadler as co-owner of the Property. Permian told Plaintiff they would contact her when a correct check and lease were available to sign.
- 4.13 Plaintiff contacted Defendant Permian three times following the second signing party.
 Permian did not answer Plaintiff's calls and on one occasion told her they were working on obtaining a correct check and would notify her when the check had arrived.
- 4.14 Plaintiff was never told by an employee of Permian or XTO that the offer was withdrawn or that all lease acquisition activity within the SEACTX geographical area, was being terminated.
- 4.15 Plaintiff executed the W-9 and attend signing parties in good faith based upon the representations made by employees of Permian, XTO's agents, that she would receive the agreed upon bonus. Plaintiff reasonably relied upon such representations and did not accept other offers to lease the Property in reliance upon the Defendants' representations that Defendants were leasing the Property. Plaintiff has now lost the opportunity to lease to such other persons and/or entities because the market has changed dramatically due, at least in part, to the conduct of the Defendants as described herein.

5.0 First Cause of Action – Breach of Contract and Specific Performance

- 5.01 Plaintiff incorporates Paragraphs 4.01 through 4.15 as if set forth herein again verbatim.
- Plaintiff has entered into a contractual agreement for the development of oil, gas and other minerals with Defendant XTO. The Plaintiff's execution and submission of her W-9 form coupled with her attendance at a signing party after Permian and XTO's offer to all SEACTX members constituted acceptance, creating a contractual agreement with XTO, and Plaintiff is entitled to specific performance of the terms and conditions of the

contract including the issue of a check to the Plaintiff in the full amount owed for the bonus payment of Twenty Six Thousand Five Hundred Seventeen and no/100 Dollars (\$26,517.00) per net mineral acre. Plaintiff has fully performed all obligations under the terms and conditions of the contract. XTO has breached the terms and conditions of the contract. Plaintiff here and now sues for specific performance of all terms and conditions of the contract.

6.0 Second Cause of Action -- Fraud

- 6.01 Plaintiff incorporates Paragraphs 4.01 through 5.02 as if set forth herein again verbatim.
- Plaintiff would show that the actions of XTO by and through its agents, Permian, Devonian, and/or Jones constitute fraud for which the Plaintiff is entitled to recover damages. These Defendants made representations to the Plaintiff which they knew were false at the time they were made or which in the exercise of ordinary care such Defendants should have known were false. Such representations include, but are not limited to, the representation that the Plaintiff should receive another bonus check made only to her, which was made with the intention of preventing Plaintiff from leasing the Property to anyone other than XTO and its agents and with the intention that it be relied upon by the Plaintiff. Plaintiff justifiably relied upon such representations to her harm, detriment and economic injury.
- other damages permitted for fraud pursuant to the laws of the State of Texas.

7.0 Third Cause of Action – Negligent Misrepresentation

7.01 Plaintiff incorporates Paragraphs 4.01 through 6.03 as if set forth herein again verbatim.

- Plaintiff would show that the actions of XTO by and through its agents, Permian, Devonian, and/or Jones constitute negligent misrepresentation for which the Plaintiff is entitled to recover damages. These Defendants made representations to the Plaintiff which they knew were false at the time they were made or which were made with reckless disregard for whether they were true or not. Such representations include, but are not limited to, the representation that Plaintiff should receive another bonus check issued to only her, which were made with the intention of preventing Plaintiff from leasing the Property to anyone other than XTO and its agents and with the intention that it be relied upon by the Plaintiff. Plaintiff justifiably relied upon such representations to their harm, detriment and economic injury.
- 7.03 Plaintiff here and now sues for recovery of all actual, consequential, exemplary and other damages permitted for negligent misrepresentations pursuant to the laws of the State of Texas.

8.0 Fourth Cause of Action – Fraud in Connection with the Sale of Real Estate

- 8.01 Plaintiff incorporates Paragraphs 4.01 through 7.03 as if set forth herein again verbatim.
- Plaintiff would show that the actions of XTO by and through its agents, Permian, Devonian, and/or Jones constitute fraud in connection with the sale of real estate as Texas law holds that the execution of an oil and gas lease effectuates a sale of the minerals with a potential right of reverter. Further, Plaintiff was induced not to sell her minerals to anyone other than XTO by representations made by one or more of the Defendants XTO, Permian, Devonian, and/or Jones, and would have entered into a contract for the sale of her minerals but for the representations by Defendants XTO, Permian, Devonian, and/or Jones that they were going to lease Plaintiff's minerals, and

that she would receive a bonus in the amount of Twenty Six Thousand Five Hundred Seventeen and no/100 Dollars (\$26,517.00) per net mineral acre as a signing bonus. Plaintiff has not received the promised bonus, and accordingly, has been damaged in the amount of the bonus owed.

8.03 Plaintiff here and now sues for recovery of all actual, consequential, exemplary and other damages permitted for fraud in connection with the sale of real estate pursuant to the laws of the State of Texas including but not limited to Texas Business and Commerce Code Section 27.01, et seq.

9.0 <u>Fifth Cause of Action -- Civil Conspiracy</u>

- 9.01 Plaintiff incorporates Paragraphs 4.01 through 8.03 as if set forth herein again verbatim.
- Plaintiff would show that during the summer of 2008, Defendants and others engaged in acquiring leases in the Barnett Shale area recognized that the amounts being paid for bonuses in the Barnett Shale area, particularly in the Tarrant County, Denton County, and Johnson County area where the Defendants were actively engaged in competition to acquire leases, were far higher than had been paid historically for the acquisition of leases in the State of Texas. Defendants concluded there was no likelihood that these amounts were going to stabilize unless some concerted action on behalf of all the major entities, including but not limited to these Defendants, was taken. Upon information and belief, Defendants conceived a plan or scheme in concert with each other which was intended to, and did, drive the bonus and royalty payments down to a far lower amount than was being paid at the time.
- 9.03 The object of such plan or scheme was to prevent the natural market forces which had been setting prices for the bonus and royalty payments from continuing, and instead

substituting an artificially low price for bonus and royalty payments, thereby increasing the profits each participant would receive at the expense and injury of individual landowners such as the Plaintiff.

- 9.04 In furtherance of this plan or scheme, Defendants and other participants made a collective decision to terminate virtually all lease agreements covering the Barnett Shale formation in Tarrant County, and announced the decision to terminate the agreements reached with SEACTX and other similar neighborhood coalitions. Each of these Defendants made such announcements within days of each other.
- 9.05 As a direct and proximate result of this conspiracy, Plaintiff has been harmed and injured by not being able to lease the Property at a fair and reasonable market driven rate for the bonus and the royalty payments.
- 9.06 As members of a civil conspiracy, each of the Defendants is jointly and severally liable for the acts and/or omissions of the other Defendants.
- 10.0 Sixth Cause of Action -- Violation of the Texas Free Enterprise and Antitrust Act of 1983.
- 10.01 Plaintiff incorporates Paragraphs 4.01 through 9.06 as if set forth herein again verbatim.
- 10.02 Plaintiff would show that the agreement(s) between the Defendants constitutes an agreement with the intended purpose and effect of lessening competition in the market to lease lands within the geographic boundaries of the Barnett Shale including the Property, by keeping prices for bonus payments and royalty payments at an artificially low level.
- 10.03 Such agreement(s) constitute an improper contract, combination or conspiracy in restraint of trade or commerce in violation of Section 15.01 et seq of the Texas

- Business and Commerce Code, commonly referred to as the Texas Free Enterprise and Antitrust Act of 1983.
- Plaintiff is a person as defined by the Texas Free Enterprise and Antitrust Act of 1983, and is entitled to pursue her claims for damages and injuries pursuant to Section 15.21(a)(1), and bring this action pursuant to such section.
- 10.05 Simultaneously with the filing of this action, Plaintiff is providing notification of her claims to the Texas Attorney General pursuant to Section 15.21(c) of the Texas Business and Commerce Code.
- 10.06 Plaintiff would show that pursuant to the terms and conditions of Section 15.01 et seq of the Texas Business and Commerce Code, Plaintiff is entitled to recovery of actual damages, together with interest thereon, as well as the award of attorneys' fees.
- 10.07 Plaintiff would show that the agreement(s) between Defendants was/were entered into willfully or flagrantly in violation of the rights of the Plaintiff and others similarly situated, and that such actions merit a finding by the trier of fact that Defendants conduct was willful or flagrant entitling the Plaintiff to treble damages.

11.0 Application for Injunctive Relief

Plaintiff would show that Defendants and their agents, employees, servants and others acting in concert with the Defendants can, and likely will, cause imminent and irreparable harm to Plaintiff's ability discover pertinent documents and information during the fact-finding process if they are not enjoined from destroying, secreting, altering, amending, or deleting documents, computer hard drives, CDs, DVDs, and other tangible and/or electrically recorded records and/or materials, including, but not limited to, e-mails, databases, data collection, data mining software and information

systems, data mining software and information collection, data mining and similar programs which relate to any oil, gas, and/or other mineral leasing, drilling permits, exploring, producing, fracing, transmission, and/or drilling activity within the Barnett Shale during the pendency of any cause of action brought by Velma Ann Myles.

- 11.02 Accordingly, Plaintiff seeks the protections of injunctive relief on the grounds that there is the threat of imminent harm and irreparable injury to Plaintiff's interests as described herein for which there is no adequate remedy at law pursuant to Texas Civil and Practices Remedies Code Sec. 65.011(1).
- 11.03 Plaintiff has shown a probable right of recovery and likelihood of success on the merits. As a direct and proximate result of the Defendants' wrongful acts, Plaintiff has suffered and will continue to suffer imminent and irreparable injury for which no remedy at law exists without the protections of a Temporary Restraining Order and injunctive relief preventing Defendants and all those acting in concert with them from destroying, secreting, altering, amending, or deleting documents, computer hard drives, CDs, DVDs, and other tangible and/or electronically recorded records and/or materials, including, but not limited to, e-mails.
- 11.04 Plaintiff in accordance with Rule 680 and 682 of the Texas Rules of Civil Procedure has verified this petition by affidavit, which is attached hereto as Exhibit "A."
- 11.05 Pursuant to Rule 684 of the Texas Rules of Civil Procedure, Plaintiff will post the necessary reasonable bond to facilitate the granting of the injunctive relief requested.

12.0 Attorneys' Fees

12.01 Plaintiff is entitled to recovery of attorneys' fees pursuant to Section 38.001 *et seq.* of the Texas Civil Practice and Remedies Code as well as pursuant to Section 15.01 *et seq.*

and Section 27.01 *et seq.* of the Texas Business and Commerce Code. Plaintiff has agreed to pay the undersigned counsel a fair and reasonable fee for the services rendered in connection with the preparation, prosecution, and, if necessary, the appeal of this case. Plaintiff seeks recovery of attorneys' fees in addition to the damages set forth herein.

13.0 Request for Jury Trial

13.01 Plaintiff here and now requests a jury trial and tenders the required jury fee.

14.0 Requests for Disclosure

14.01 Plaintiff requests that the Defendants provide all information responsive to Texas Rules of Civil Procedure Rule 194.2 (a) through (l) in accordance with such rules.

15.0 PRAYER

15.01 WHEREFORE, PREMISES CONSIDERED, the Plaintiff prays:

15.01.1 That a Temporary Restraining Order be issued, with or without notice to Defendants, ordering Defendants, their agents, employees, representatives, contractors and workers and anyone subject to supervision and control, and all those acting in concert with them not to destroy, secret, alter, amend, or delete any documents, computer hard drives, CDs, DVDs, and other tangible and/or electronically recorded records and/or materials, including, but not limited to, e-mails, databases, data collection, data mining software and information systems, data mining software and information collection, data mining and similar programs which relate to any oil, gas, and/or other mineral leasing, drilling permits, exploring, producing, fracing, transmission, and/or drilling activity within the Barnett Shale during the pendency of any cause of action brought by Velma Ann Myles, unless and until application to engage in such activities has been properly made

- to this Court and Velma Ann Myles and her counsel have been an afforded an opportunity to be heard.
- 15.01.2 That the Court set a date and time for a hearing on this Application for Temporary Injunction and that upon conclusion of such hearing that Defendants their agents, employees, representatives, contractors and workers and anyone subject to supervision and control, and all those acting in concert with them be ordered not to destroy, secret, alter, amend, or delete any documents, computer hard drives, CDs, DVDs, and other tangible and/or electronically recorded records and/or materials, including, but not limited to, e-mails.
- 15.01.3 That upon a final determination in this cause, Defendants, their agents, employees, representatives, contractors and workers and anyone subject to their supervision and/or control, and all those acting in concert with them, be permanently ordered not to destroy, secret, alter, amend, or delete documents, computer hard drives, CDs, DVDs, and other tangible and/or electronically recorded records and/or materials, including, but not limited to, e-mails.
- 15.01.4 That Defendant XTO be ordered to specifically perform in accordance with the contract terms and issue a check to the Plaintiff in the full amount owed for the bonus payment of Twenty Six Thousand Five Hundred Seventeen and no/100 Dollars (\$26,517.00) per net mineral acre.
- 15.01.5 That Defendants be found to be jointly and severally liable for the harm and damage that they have caused to Plaintiff by engaging in and carrying on the conspiracy to keep bonus and royalty payments to Plaintiff and others similarly situated artificially low.

15.01.6 That Plaintiff be awarded attorneys' fees in accordance with Section 15.01 et seq., Section 27.01 et seq., and/or Section 17.41 et seq. of the Texas Business and Commerce Code and/or Section 38.001 et seq. of the Texas Civil Practice and Remedies Code.

15.01.7 That the Court enter a finding that Defendants acted willfully or flagrantly and that Plaintiff's damages, including attorneys' fees, be trebled in accordance with Section 15.01 et seq. of the Texas Business and Commerce Code.

15.01.8 That Plaintiff recover costs of court, interest on all damages as permitted by law and for such other and further relief, both general and special, at law or in equity to which Plaintiff may show herself to be entitled.

Respectfully submitted,

PETROFF & ASSOCIATES

Kip Petroff

State Bar No. 15851800

3838 Oak Lawn Avenue

Suite 1124

Dallas, TX 75219

Telephone: (214) 526-5300

Fax: (214) 526-5354

RIDDLE & WILLIAMS, P.C.

Dean A. Riddle State Bar No. 16888960 Christopher A. Payne State Bar No. 15651500

3710 Rawlins Street Suite 1400 – Regency Plaza Dallas, Texas 75219 Telephone: (214) 760-6766 Facsimile: (214) 760-6765

Mathis & Donheiser, P.C.

Randal Mathis State Bar No. 13194300 Mark Donheiser State Bar No. 05974800.

4600 Trammell Crow Center 2001 Ross Avenue Dallas, TX 75201 Phone: (214) 303-1919 Facsimile: (214) 303-0399

Exhibit "A"

CAUSE NO.

VELMA ANN MYLES Plaintiff,

v.

IN THE DISTRICT COURT OF

XTO ENERGY, INC., CHESAPEAKE **EXPLORATION COMPANY, LLC,** 9999999 VANTAGE ENERGY, LLC, TITAN OPERATING, LLC, CHIEF OIL & GAS, LLC, QUICKSILVER RESOURCES, INC., KEYSTONE EXPLORATION, LTD, CARRIZO OIL & GAS, INC., TRINITY EAST ENERGY, LLC, PERMIAN LAND COMPANY, a Division of DEVONIAN ENTERPRISES, INC., FRED W. JONES, Individually and/or d/b/a DEVONIAN ENTERPRISES, INC., DALE PROPERTY SERVICES, LLC, THE CAFFEY GROUP, § LLC, FOUR SEVENS ENERGY CO, LLC, BRYSON KUBA, LP, LLANO OPERATING, CORP, and CHEAHA LAND SERVICES, LLC §

DALLAS COUNTY, TEXAS

___ JUDICIAL DISTRICT

VERIFICATION

STATE OF TEXAS

§

COUNTY OF DALLAS

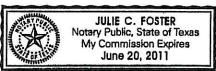
Defendants.

§ 8

BEFORE ME, the undersigned Notary Public, on this date personally appeared Kip Petroff, who being by me duly sworn, on oath, deposed and said that he is fully authorized to execute this verification for and on behalf of the Plaintiff, and that the facts contained therein are within his personal knowledge and are true and correct.

Kip Petroff, Affiant

SUBCRIBED AND SWORN TO before me on this 318+ day of August, 2009 to certify which witness my hand and seal of office.



Notary Public, in and for The State of Texas

My Commission Expires:

6-20-2011

Exhibit "B"

CAUSE NO.		
VELMA ANN MYLES Plaintiff,	§ §	IN THE DISTRICT COURT OF
v.	§ §	
XTO ENERGY, INC., CHESAPEAKE	§	
EXPLORATION COMPANY, LLC,	§ §	
VANTAGE ENERGY, LLC, TITAN OPERATING, LLC, CHIEF OIL & GAS,	§ §	, *
LLC, QUICKSILVER RESOURCES, INC., KEYSTONE EXPLORATION, LTD,	§ §	• **
CARRIZO OIL & GAS, INC., TRINITY EAST ENERGY, LLC,	§ 8	DALLAS COUNTY, TEXAS
PERMIAN LAND COMPANY, a Division of DEVONIAN ENTERPRISES, INC., FRED W.	§	DALLAS COUNTY, TEXAS
JONES, Individually and/or d/b/a DEVONIAN	§ §	
ENTERPRISES, INC., DALE PROPERTY SERVICES, LLC, THE CAFFEY GROUP,	§ §	
LLC, FOUR SEVENS ENERGY CO, LLC, BRYSON KUBA, LP, LLANO OPERATING,	§ §	
CORP, and CHEAHA LAND SERVICES, LLC Defendants.	§	JUDICIAL DISTRICT

AFFIDAVIT OF MAY LEE IN SUPPORT OF TEMPORARY RESTRAINING ORDER

STATE OF TEXAS \$ \$ KNOW ALL MEN BY THESE PRESENTS: \$

BEFORE ME, the undersigned authority, on this date personally appeared May Lee, who, being known to me and being by me first duly sworn upon oath, stated and deposed as follows:

1. My name is May Lee. I am over twenty-one (21) years old, I have never been convicted of a felony, and am not otherwise disqualified from making this affidavit. I have personal knowledge of the facts stated herein, I am fully competent and able to make this affidavit, and the statements made herein are true and correct.

- 2. On or about June 10, 2008, I faxed an executed copy of my W-9 form, which contains personal and confidential information, to Defendant Permian Land Company ("Permian"). On or about July 24, 2008, I telephoned Permian to inquire about whether it had received my W-9. I was informed by Permian's representative that it had received my W-9. However, on or about October 10, 2008, when I telephoned Permian to inquire about my lease-signing date it was disclosed to me by a Permian representative that my information was no longer on Permian's computer system and the representative requested that I resubmit my W-9.
- 3. On or about October 15, 2008, Defendant Permian began returning original W-9 forms to the Barnett Shale landowners who had previously executed and submitted the form to Permian. I have never received from Permian my original executed W-9 form. Instead, Permian mailed to my address a W-9 form that belonged to another Barnett Shale landowner.

Further affiant sayeth not.

May Lee, Affiant

SUBSCRIBED AND SWORN TO BEFORE ME on this @

day of August, 2009.

BRIAN K. LEWIS

Notary Public, State of Texas

My Commission Exp. 10-08-2012

Notary Public in and for the State of Texas

My Commission Expires on: 10-08-2012

Exhibit "C"

CAUSE NO		
VELMA ANN MYLES	§	IN THE DISTRICT COURT OF
Plaintiff,	§	
v.	§	
Y•	§	
XTO ENERGY, INC., CHESAPEAKE	8	
EXPLORATION COMPANY, LLC.	8	
VANTAGE ENERGY, LLC, TITAN	8	
OPERATING, LLC, CHIEF OIL & GAS,	8	
LLC, QUICKSILVER RESOURCES, INC.,	8	·
KEYSTONE EXPLORATION, LTD,	8	
CARRIZO OIL & GAS, INC.,	8	
TRINITY EAST ENERGY, LLC,	8	DALLAS COUNTY, TEXAS
PERMIAN LAND COMPANY, a Division of	8	DALLAS COUNTY, TEXAS
DEVONIAN ENTERPRISES, INC., FRED W.	8	
JONES, Individually and/or d/b/a DEVONIAN	§	
ENTERPRISES, INC., DALE PROPERTY	§	
SERVICES, LLC, THE CAFFEY GROUP,	§	
LLC, FOUR SEVENS ENERGY CO, LLC,	§	
BRYSON KUBA, LP, LLANO OPERATING,	§	
CORP, and CHEAHA LAND SERVICES, LLC	§ .	JUDICIAL DISTRICT
Defendants.	•	

AFFIDAVIT OF YEN VO IN SUPPORT OF TEMPORARY RESTRAINING ORDER

STATE OF TEXAS \$ \$ KNOW ALL MEN BY THESE PRESENTS: \$

BEFORE ME, the undersigned authority, on this date personally appeared Yen Vo, who, being known to me and being by me first duly sworn upon oath, stated and deposed as follows:

1. My name is Yen Vo. I am over twenty-one (21) years old, I have never been convicted of a felony, and am not otherwise disqualified from making this affidavit. I have personal knowledge of the facts stated herein, I am fully competent and able to make this affidavit, and the statements made herein are true and correct.

- 2. In or about June of 2008, I submitted an executed copy of a W-9 form, a personal and confidential document, to Defendant Permian Land Company ("Permian"). I telephoned Permian to inquire whether it had received my W-9 and a representative of Permian informed me that they did not have my W-9 or information on file. The Permian representative asked that I resubmit my W-9 to their office, which I did via facsimile. In or about August of 2008, I emailed Permian to verify receipt of my W-9. In response, I received an email from a representative of Permian that stated they could not locate my W-9 and asked that submit a copy of my W-9 for the third time.
- On or about October 16, 2008, Jack Huxel, an employee of the Defendant 3. Permian, and an agent for Defendant XTO Energy, Inc. ("XTO"), informed me that without notice XTO came into Permian's Fort Worth office, located at 1501 Summit Avenue, and seized leases, checks and other office documents on Wednesday, October 15, 2008.

Further Affiant sayeth not.

Yen Vo, Affiant

SUBSCRIBED AND SWORN TO BEFORE ME this 28 day of August, 2009.

Notary Public in and for the State of Texas

My Commission Expires: $\partial Z - \overline{z} -$

Exhibit "D"

CAUSE NO.		
VELMA ANN MYLES Plaintiff,	89 89 6	IN THE DISTRICT COURT OF
v.	9 § 8	
XTO ENERGY, INC., CHESAPEAKE EXPLORATION COMPANY, LLC,	§	
VANTAGE ENERGY, LLC, TITAN	§ §	
OPERATING, LLC, CHIEF OIL & GAS, LLC, QUICKSILVER RESOURCES, INC.,	§ §	, 2 *
KEYSTONE EXPLORATION, LTD, CARRIZO OIL & GAS, INC.,	§	
TRINITY EAST ENERGY, LLC,	§ §	DALLAS COUNTY, TEXAS
PERMIAN LAND COMPANY, a Division of DEVONIAN ENTERPRISES, INC., FRED W.	§ . 8	
JONES, Individually and/or d/b/a DEVONIAN ENTERPRISES, INC., DALE PROPERTY	§	
SERVICES, LLC, THE CAFFEY GROUP,	§ §	
LLC, FOUR SEVENS ENERGY CO, LLC, BRYSON KUBA, LP, LLANO OPERATING,	§ §	
CORP, and CHEAHA LAND SERVICES, LLC Defendants.	\$ §	JUDICIAL DISTRICT

CATION NO

<u>AFFIDAVIT OF JOANN BALDWIN IN SUPPORT OF</u> <u>TEMPORARY RESTRAINING ORDER</u>

BEFORE ME, the undersigned authority, on this date personally appeared Joann Baldin, who, being known to me and being by me first duly sworn upon oath, stated and deposed as follows:

1. My name is Joann Baldwin. I am over twenty-one (21) years old, I have never been convicted of a felony, and am not otherwise disqualified from making this affidavit. I have personal knowledge of the facts stated herein, I am fully competent and able to make this affidavit, and the statements made herein are true and correct.

In or about August of 2009, I spoke on the telephone with Jack Huxel, a 2. representative of Defendant Permian Land Company ("Permian"), about obtaining a mineral rights lease. Mr. Huxel disclosed that Defendant Permian was not capable of offering any lease signing bonus to mineral rights owners because Permian was downsizing and had recently laidoff approximately 30 employees.

Further affiant sayeth not.

pann Baldwin, Affiant

SUBSCRIBED AND SWORN TO BEFORE ME on this

My Commission Exp. 03-30-2013

Notary Public in and for the State of Texas

My Commission Expires on: 2013

Exhibit "E"

CAUSE NO.	•	
VELMA ANN MYLES Plaintiff,	§ §	IN THE DISTRICT COURT OF
XTO ENERGY, INC., CHESAPEAKE EXPLORATION COMPANY, LLC, VANTAGE ENERGY, LLC, TITAN OPERATING, LLC, CHIEF OIL & GAS, LLC, QUICKSILVER RESOURCES, INC., KEYSTONE EXPLORATION, LTD, CARRIZO OIL & GAS, INC., TRINITY EAST ENERGY, LLC, PERMIAN LAND COMPANY, a Division of DEVONIAN ENTERPRISES, INC., FRED W JONES, Individually and/or d/b/a DEVONIAN ENTERPRISES, INC., DALE PROPERTY SERVICES, LLC, THE CAFFEY GROUP, LLC, FOUR SEVENS ENERGY CO, LLC, BRYSON KUBA, LP, LLANO OPERATING, CORP, and CHEAHA LAND SERVICES, LLC	。 ら ら ら ら ら ら ら ら ら ら ら ら ら	DALLAS COUNTY, TEXAS
Defendants.	3	JUDICIAL DISTRICT

AFFIDAVIT OF KIP PETROFF IN SUPPORT OF TEMPORARY RESTRAINING ORDER

BEFORE ME, the undersigned authority, on this date personally appeared Kip Petroff, who, being known to me and being by me first duly sworn upon oath, stated and deposed as follows:

1. My name is Kip Petroff. I am over twenty-one (21) years old, I have never been convicted of a felony, and am not otherwise disqualified from making this affidavit. I have

personal knowledge of the facts stated herein, I am fully competent and able to make this affidavit, and the statements made herein are true and correct.

- 2. The relief here requested is sought because of a serious concern that adequate steps are not being taken to preserve evidence relevant to this case. For example, Defendant XTO Energy, Inc. ('XTO') and Defendant Permian Land Company ('Permian') have admitted in a letter, signed by Defendant Permian's employee and President Fred W. Jones and signed by Defendant XTO's employee Sherman Young, that a fire in XTO's office building had 'affected the server housing the check request database.' See the attached letter, marked 'Exhibit 1' from Sherman Young addressed to 'Dear SEACTX Homeowners.' The *Dallas Morning News* and the *Fort Worth Star Telegram* have reported that this fire occurred on Tuesday, July 1, 2008, which was after Defendant XTO had agreed to enter into mineral leases with homeowners in the 'SEACTX'alliance of homeowner's associations.
- 3. Defendant XTO's website has been recently changed and significant information that was readily available to the public earlier this summer, including documents relevant to this case, are no longer accessible. On or about May 11, 2009, the following relevant information, including downloadable documents, were available on Defendant XTO's web site (*See*, Exhibit 2):
 - a. 'May Investor Presentation'
 - b."1Q 2009 Operations Review"
 - c. "IPAA Oil & Gas Investment Symposium"

These documents are no longer available on Defendant XTO's web site. (See, Exhibit 3).

4. I am also attorney of record in Cause No. 09-09896; *Booth v. XTO Energy Inc.*, and we have specifically requested that Defendant XTO produce this type of documentation in that case.

case, and the fact that Defendant Permian is telling people they recently laid off thirty employees also causes me concern about destruction of relevant evidence because companies that downsize frequently have materials that are more cheaply discarded rather than being stored.

5. I am also attorney of record in Cause No. 09-09896; *Booth v. XTO Energy Inc.*, and we have specifically requested that Defendant XTO produce this type of documentation in that case. I am authorized to state on behalf of Willie and Carmen Booth, the Plaintiffs in *Booth vs. XTO*, that they also want the Court to grant the relief Velma Ann Myles is requesting herein.

Kip Petroff, Affiant

SUBSCRIBED AND SWORN TO BEFORE ME this 3/ day of August, 2009.



Notary Public in and for the State of Texas

My Commission Expires: 9 0001

Exhibit "1"

Dear SEACTX Homeowner:

There has been some confusion arising about your W9 receipt and check/lease processing. Please let me clarify the situation and set your mind at ease.

First of all, there was indeed a small fire at XTO's 6th floor a couple of weeks ago which affected the server housing the check request database. This resulted in a setback of about a week in issuing checks on paperwork that was actually completed. Permian's office is not in the same building as XTO so this had no effect on any of the actual paperwork we are processing for you, including your W9s.

In addition, let me assure you that there are no lost or misplaced W9s or any other lost/misplaced documents. We are diligently processing the W9's we have received thus far and should have a list of those we are in possession of by the first of next week. Resending your W9 without being requested by us to do so will only slow the process down as we will have to re-sort, re-check and end up with duplicated paperwork.

In an effort to ramp up the processing of your files and get a check issued for you as quickly as possible, we have tripled our staff in the past couple of weeks, tripled our weekly check requests, have set up at least 2 signing parties per week for your convenience and set up 2 alternate email addresses that we will respond to daily to answer any of your questions. We are also making arrangements to set up personal appointments for those who are unable to attend the check signing parties either at our office or your home for lease signing and picking up checks.

If anyone has any questions or apprehension about our process or where you personally are in the "process", please feel free to call our office at 817-334-0964, send us an email (leasing@permianland.com or seactxleasing@permianland.com)or stop by in person at 1501 Summit, Suite 200 and anyone will be happy to help you. You may also visit our website www.permianland.com. We really appreciate your time and patience and will do everything we can to expedite this process.

Sincerely,

Fred Jones President Permian Land Company

Sherman Young XTO Energy Inc.



"sheman young" xto

Search

Advanced Search

Web

Show options...

Results 1 - 10 of about 66 for "sherman young" xto. (0.30 seconds)

Sherman Young, Xto Energy Inc, Fort Worth, TX in Spoke's business ...

Sherman Young of Xto Energy Inc's information, including email, business address and phone, bio, title, job history, colleagues, and other professional ...

Show map of 810 Houston St, Fort Worth, TX 76102

www.spoke.com/info/p8fJFxw/ShermanYoung - Cached - Similar

People in Spoke's business directory | Spoke Software

Company: Xto Energy Inc · Sherman Young. Title: Member; Company: Ivie And Young; Job

History: 1 job. Sheron Young. Company: American Home Shield Corp ...

www.spoke.com/info/index-person/yf-yo-370 - Cached - Similar

рост Dear SEACTX Homeowner: There has been some confusion arising about ...

File Format: Microsoft Word

We really appreciate your time and patience and will do everything we can to expedite this process. Sincerely, Fred Jones Sherman Young. President XTO ... lakeportvillage.org/.../Permian%20Letter%207-18-2008.docx - Similar

[PDF] BOARD OF TRUSTEES BURLESON INDEPENDENT SCHOOL DISTRICT OFFICIAL ...

File Format: PDF/Adobe Acrobat - View

Sherman Young, with XTO Energy, presented information to the Board seeking their approval to change a pool of the district's acreage with the existing ... www.boardbook.org/apps/bbv2/bb_wrapper.cfm?Type=M... - Similar

[PDF] NOTICE OF REGULAR MEETING BOARD OF EDUCATION BURLESON INDEPENDENT

File Format: PDF/Adobe Acrobat - View

XTO Energy Inc. - presented by Sherman Young. C. After School Program - presented by Richard Crummel. D. Project Lead the Way - presented by Loretta Bruce ...

 $www.boardbook.org/apps/bbv2/bb_wrapper.cfm?Type=N...-\underline{Similar}$

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XTO Energy, Inc. Lindsey Dingmore, Sherman Young, Jordan Young, Jim Snyder. Vaden's Acoustics & Drywall, Inc. Terry Wichersham, Curtis Vaden, Mike Barnes, ... www.aledo.k12.tx.us/aisdweb/2005%20Golf.htm - Cached - Similar

NEWSMEAT ▷ SHERMAN YOUNG's federal campaign contribution search ...

XTO ENERGY INC./ENERGY EXECUTIVE, MCCAIN, JOHN S. (R) President ... Receive an alert every time new records are added to this search for SHERMAN YOUNG. ...

www.newsmeat.com/.../bystate_detail.php?... - Similar

Mars et la SF: Comics

He flies to Planet X to learn more about the crystals. Art: Howard Sherman. Young Tommy Tomorrow trains at rocket college, and is chosen to be the ... membres.lycos.fr/starmars/comics.html - Cached - Similar

[PDF] Cook Children's Medical Center – along with the patients, families ...

File Format: PDF/Adobe Acrobat - View as HTML

XTO Energy Inc. Yaffe | Deutser. Ziment Group, Inc. \$500 - 999 XTO Energy Inc. Yaffe

Duetser. Silver Angels. Marilyn and Byron Baird ...

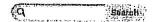
https://secure.cookchildrens.com/ContentStore/2005HonorRoll.pdf - Similar

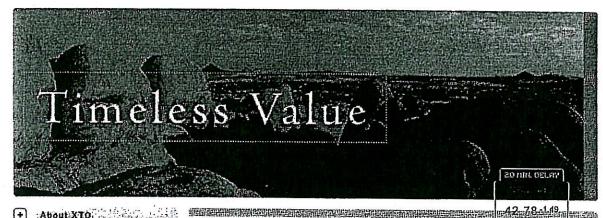
http://www.google.com/

8/26/2009 10:19 AM

Exhibit "2"

XTOENERGY





- + About XTO
- + Operating Regions
- + Investor Relations
- + Officers and Directors
- + Corporate Governance
- + Gorporate Responsibility
- + Career Center
- + Interest Owner Relations
- + Contact Us

Quick Links



Low-risk, high-return strategy-xto Energy Inc. has grown from its inception in 1986 to one of the nation's largest independent oil and gas producers. Our proven strategy has built a domestic reserve base with greater than 2.06 billion barrels of oil equivalent and a track record of increasing production and reserves, with a compound annual growth rate of about 24% and 29% respectively since going public in 1993. With this performance, XTO has been a consistent sector leader in growth and value creation. For our shareholders, the stock price has followed, increasing 3800% since 1993.

How have we done it? Our experience and expertise guides us to acquire the best reservoir rock. We then apply new technology, operational innovations and old-fashioned hard work to discover untapped reserves. The result is a predictable, low-risk growth strategy with a history of healthy economic returns. Perhaps even more important, with XTO's base of legacy assets and drilling inventory, the potential for expanding growth and returns into the future is stronger than ever.

{ Why Own XTO? }

Quick Statistics

Press Releases

- E 5/06/2009 XTO Energy Announces 1Q Earnings and Record Production; Increases Production Growth Target to 16%
- 1 5/06/2009 XTO Energy Updates Performance Guidance; Increases 2009 Production Target From 14% to 18%
- 2)/2/19/2009 XTO Energy Announces Earnings, Production and Cash Flow for 4Q; Reports Record Production and Cash Flow for 2008

view more

Investor Resources:

May Investor Presentation

10 2009 Operations Review

IPAA Oll & Gas Investment Symposium

view more

EXHIBIT B

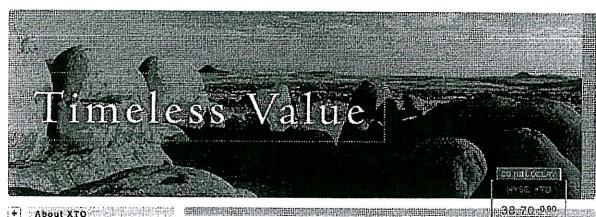
Email Alerte!

Legal Notice

Exhibit "3"

xTOENERCY





- About XTO
- Operating Regions
- + Investor Relations
- + Officers and Directors
- Corporate Governance
- Corporate:Responsibility
- Carger Center
- Interest Owner Relations
- Contact Us

Low-risk, high-return strategy - XTO Energy Inc. has grown from its inception in 1986 to one of the nation's largest independent oil and gas producers. Our proven strategy has built a domestic reserve base with greater than 2.06 billion barrels of oil equivalent and a track record of increasing production and reserves, with a compound annual growth rate of about 24% and 29% respectively since going public in 1993. With this performance, XTO has been a consistent sector leader in growth and value creation. For our shareholders, the stock price has followed, increasing 4400% since 1993.

How have we done it? Our experience and expertise guides us to acquire the best reservoir rock. We then apply new technology, operational innovations and old-fashloned hard work to discover untapped reserves. The result is a predictable, low-risk growth strategy with a history of healthy economic returns. Perhaps even more important, with XTO's base of legacy assets and drilling inventory, the potential for expanding growth and returns into the future is stronger than ever.

{ Why Own Aro? }

Quick Statistics }

Press Releases

- 08/17/09 XTO Energy Declares Quarterly Dividend
- (E) 8/05/2009 XTO Energy Announces Record Production for 2Q, Up 32% From Last Year and 6% Sequentially; Increases Production Guidance to 20% for 2009
- 8/05/2009 XTO Energy Updates Performance Guidance; Increases 2009 Production Target From 16% to 20%; Raises Capital Budget

view more

Investor Resources

- 2Q 2009 Operations Review
- August Investor Presentation
- Enercom Oil and Gas Conference view more

EXHIBIT C

Email Alerte Legalitetico