



K&L Gates Oil and Gas Practice

Appalachian Basin Litigation

For over 60 years, K&L Gates has successfully litigated all types of major cases on behalf of oil and gas clients active in the Appalachian Basin, including in the Marcellus Shale.

Our Clients

Our clients are from the industry side only and include producers of oil and gas, coal bed methane developers, reservoir operators, salt dome storage cavern developers, pipeline companies, drillers, oil and gas service providers, landmen, distributors, public utilities, and industry associations.

Our Accomplishments

We have represented industry interests in a series of key court cases before state courts, including the Pennsylvania Supreme Court, and in federal courts, dealing with such important issues as state-required minimum royalties affected by post-production charges, claims of fraudulent inducement to vitiate Marcellus Shale leases, lease contests with respect to implied covenants to develop Marcellus Shale zones, the scope of preemption as to municipal regulation of oil and gas development, and state and federal regulation of natural gas development on public lands where the governmental units do not own or control the mineral rights.

For example, in March 2010, K&L Gates lawyers persuaded the Pennsylvania Supreme Court to exercise extraordinary jurisdiction to definitively interpret the Pennsylvania Minimum Royalty Act and then persuaded the unanimous court to adopt the industry's interpretation of the statute. *Kilmer v. Elexco Land Services Company*, 63 MAP 2009.

When a municipality attempted to regulate our clients' development of oil and gas, the Pennsylvania Supreme Court held such regulation to be improper and preempted. *Range Resources—Appalachia, LLC, et al. v. Salem Township, et al.*, 600 Pa. 231 (2009).

When the Pennsylvania Department of Conservation and Natural Resources attempted to block our client's development of its oil and gas interests in state parks, the Pennsylvania Supreme Court stated that the state was precluded in doing so and would have to pay damages. *Belden & Blake Corp. v. Commonwealth of Pennsylvania, Dep't of Conservation and Natural Resources*, 600 Pa. 559 (2009).

When landowners brought lawsuits seeking hundreds of thousands of dollars in bonus payments for oil and gas leases that were rejected by our client, federal judges in Pennsylvania held that no contracts were formed and granted our client's motions to dismiss the landowners' complaints.

The questions confronted in these cases will set the framework for many future development efforts.

Our Success

Our in-depth knowledge of the industry and our long experience in litigating oil and gas matters make us a premier firm for oil and gas litigation. We have highly skilled oil and

gas trial lawyers in Pittsburgh and Harrisburg who have litigated cases in Pittsburgh, West Virginia, New York, and Ohio.

Our Experience

We have litigated the following types of matters on behalf of our oil and gas clients:

- Accidents: deaths and serious personal injuries
- Benzene/carbon monoxide alleged poisoning
- Condemnations
- Drilling site pollution
- Easement issues
- Fires and major Property damage
- Governmental investigations
- Ground water contamination
- Implied development obligations
- Joint operating agreements
- Lease interpretations
- Lease terminations
- Office leasing disputes
- Patent litigation
- Paying quantity interpretations
- Pipeline explosions
- Post production royalty disputes
- Production problems
- Qui Tam/False Claim Act matters
- Regulatory inquiries
- Reservoir construction
- Royalty class actions
- Salt Dome Storage damage
- Salt Dome Storage safety issues
- Surface rights
- Take or pay obligations
- Toxic tort claims
- Utility rates

Specific experience with these types of cases can be provided upon request.

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