

Case 3:16-cv-00901 Document 1 Filed 06/24/16 Page 1 of 9 PageID #: 1

UNITED STATES DISTRICT COURT * WESTERN DISTRICT OF LOUISIANA

MONROE DIVISION

CLB PROPERTIES, INC.

DOCKET NO: _____

JUDGE: _____

versus

MRD OPERATING LLC

MAGISTRATE: _____

NOTICE OF REMOVAL

MRD Operating LLC ("MRD"), and Hunter Temple ("TEMPLE") hereby remove to this Court the state court action filed by CLB Properties, Inc. ("CLB") for the reasons described below:

INTRODUCTION

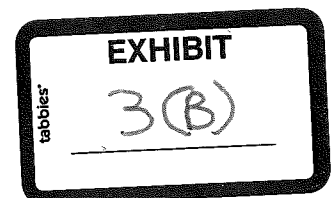
1. On May 27, 2016, CLB filed this putative class action in the Third Judicial District Court in the Parish of Lincoln, Louisiana, entitled *CLB Properties, Inc. v. MRD Operating LLC*, Case No. 58,295. The initial "Class Action Petition" was signed and filed by Chris Bowman, the sole officer and registered agent of CLB.¹
2. Days later, on June 14, 2016, Chris Bowman withdrew as counsel, and a new legal team enrolled to file the "Amemded [sic] and Restated Class Action Petition."²
3. In both filings, CLB seeks to represent both itself and a class of all persons and/or entities owning any mineral interest in the Terryville Field ("The Putative Class").³
4. In short, CLB and The Putative Class assert claims arising under the Louisiana Mineral Code and the Louisiana Unfair Trade Practices Act ("LUTPA") for allegedly unpaid royalties, plus other unspecified damages, along with attorney fees, interest, and costs of court.⁴

¹ See, "Class Action Petition." All state court pleadings are attached *in-globo* as "EXHIBIT 1."

² See, "Amemded [sic] and Restated Class Action Petition."

³ See, "Amemded [sic] and Restated Class Action Petition."; par. 2.

⁴ See, "Amemded [sic] and Restated Class Action Petition."; p. 3.



BASIS FOR REMOVAL #1: CAFA

Overview

5. CAFA reflects Congress's intent to have federal courts adjudicate substantial class action suits brought against out-of-state defendants. Toward that end, CAFA expressly provides that class actions filed in state court are removable to federal court if: (i) the putative class contains at least 100 members; (ii) some members of the proposed class have a different citizenship from some defendants; and (iii) the amount in controversy exceeds \$5,000,000.

The Putative Class > 100 Members

6. The Putative Class is CLB and all

landowners, lessors, and mineral interest holders who own mineral interests in the form of royalties in Lincoln Parish, in oil and gas fields more commonly known as the Terryville Field.⁵

7. There are over 8,000 different royalty owners within the Terryville Complex.⁶

8. Accordingly, The Putative Class is in excess of 100 members.

Minimal Diversity Exists

9. The second CAFA requirement is "Minimal Diversity" – at least one putative class member must be a citizen of a different state than one defendant. 28 U.S.C. § 1332(d)(2).

10. Here, CLB – a member of The Putative Class – is a Louisiana corporation with its principal place of business in Louisiana. Meanwhile, MRD is a nonresident limited liability company whose sole member is a Delaware corporation with its principal place of business in the State of Texas.⁷

11. Accordingly, at least one member of The Putative Class (CLB) is a citizen of a different state than at least one defendant (MRD). Therefore, CAFA's "minimal diversity" requirement has been

⁵ See, "Amended [sic] and Restated Class Action Petition"; par. 2.

⁶ See, "EXHIBIT 2" – Declaration of Thomas Landry.

⁷ See, "EXHIBIT 2" – Declaration of Thomas Landry.

established.

The Claims > \$5M

12. CAFA also requires that the amount in controversy exceed \$5,000,000 for the entire putative class in the aggregate, exclusive of interest and costs. 28 U.S.C. § 1332(d)(2).

13. Here, based upon the allegations and theories (which MRD and TEMPLE vehemently dispute, but which control for removal purposes), the \$5,000,000 CAFA amount in controversy requirement is satisfied.

14. For instance, The Putative Class is well in excess of 8,000 different royalty owners, and the amount of royalties allegedly owed to CLB alone is in excess of \$300,000.⁸ Additionally, CLB and The Putative Class pray for attorney's fees and other unspecified damages which – based on the claims asserted – presumably include claims for “treble damages.”⁹ Finally, CLB and The Putative Class also pray for injunctive relief and dissolution of the leases.

15. Therefore, it is clear that The Putative Class's claims easily exceed \$5,000,000.

Conclusion for CAFA Jurisdiction

16. At a minimum, this action contains a putative class with more than 100 members with “Minimal Diversity” and claims in excess of \$5,000,000.

17. Therefore – separate and independent of the “Complete Diversity” basis for removal as shown below – removal to this Court is also proper under CAFA.

BASIS FOR REMOVAL #2: Diversity

Overview

18. Diversity jurisdiction is present when there is complete diversity of citizenship between each named plaintiff and each defendant, and the amount in controversy requirement has been satisfied.

⁸ See, “EXHIBIT 2” – Declaration of Thomas Landry.

28 U.S.C. § 1332; *see also*, *Lincoln Prop. Co. v. Roche*, 546 U.S. 81, 84 (2005).

19. Additionally, when at least one member of a class action meets the diversity and amount in controversy requirements, this Court may exercise supplemental jurisdiction over related claims even if the amount-in-controversy threshold is not met. 28 U.S.C. § 1367; *see also*, *Exxon Corp. v. Allapattah Servs. Inc.*, 545 U.S. 546 (2005).

Amount-in-Controversy > \$75,000

20. The amount in controversy must exceed \$75,000 for diversity jurisdiction to exist. 28 U.S.C. § 1332(a). In cases where – such as here – the allegations fail to specify the precise amount of damages, defendants must only show by a preponderance of the evidence that the amount in controversy exceeds \$75,000. *See, Grant v. Chevron Phillips Chemical Co. L.P.*, 309 F.3d 864, 868 (5th Cir. 2002).

21. For the amount in controversy purposes, claims for attorney’s fees and penalties are considered. *See, Manguno v. Prudential Property and Cas. Ins. Co.*, 276 F.3d 720, 723 (5th Cir. 2002) (“If a state statute provides for attorney’s fees, such fees are included as part of the amount in controversy.”); and *Poynot v. Hicks*, 02-2068 (E.D. La. 9/12/2002); 2002 WL 31040174, *3 (Considering claims for penalties in determining whether amount in controversy requirement was satisfied.).

22. Additionally, the value of any requested injunctive relief must also be considered for amount in controversy purposes. *See, Hamp’s Const., LLC v. Tag-Mississippi Enterprises, LLC*, 09-4256, 2009 WL 2356671, *3 (E.D. La. 7/27/2009).

23. The value of the royalties allegedly owed to CLB alone is in excess of \$300,000.¹⁰ Considering this in addition to the sweeping allegations of “other damages” prayed for by CLB and

⁹ *See again*, LSA-R.S. 31:140 and LSA-R.S. 51:1409(A).

each member of The Putative class – which presumably include “treble damages” and “attorney’s fees” as authorized (under proper circumstances) by both the Louisiana Mineral Code¹¹ and LUTPA¹² – it is quite clear that CLB’s claims for damages alone exceed \$75,000. Of course, this does not even factor-in the request by CLB and The Putative Class for injunctive relief and dissolution of the leases.

24. Based on the allegations presented, it is facially apparent that the amount in controversy requirement is satisfied under 28 U.S.C. § 1332(a).

Complete Diversity Exists Between MRD and the Plaintiffs

25. MRD is a Delaware limited-liability company comprised of a sole, non-Louisiana member.¹³ CLB is a Louisiana corporation with its principal place of business in Louisiana.¹⁴ And The Putative Class is comprised of owners and lessors of mineral interests in the Terryville Field which is located in Lincoln Parish, Louisiana. Similarly, no member of The Putative Class is alleged to be a Texas or Delaware citizen.¹⁵

26. Accordingly, complete diversity exists between CLB and The Putative Class – on the one hand – and MRD – on the other hand.

Fraudulent Joinder

27. CLB attempts to defeat diversity by joining TEMPLE – a Louisiana domiciliary – as a co-defendant. However, the Fraudulent Joinder Doctrine prohibits attempts to defeat diversity jurisdiction by the fraudulent inclusion of a non-diverse defendant.

¹⁰ “EXHIBIT 2” – Declaration of Thomas Landry.

¹¹ LSA-R.S. 31:140 (“If the lessee fails to pay royalties due or fails to inform the lessor of a reasonable cause for failure to pay in response to the required notice, the court may award as damages double the amount of royalties due, interest on that sum from the date due, and a reasonable attorney’s fee regardless of the cause for the original failure to pay royalties.”).

¹² LSA-R.S. 51:1409(A).

¹³ “EXHIBIT 2” – Declaration of Thomas Landry.

¹⁴ See, “Amended [sic] and Restated Class Action Petition.”

28. More specifically, according to the U.S. Fifth Circuit,

the fraudulent joinder doctrine ensures that the presence of an improperly joined, non-diverse defendant does not defeat federal removal jurisdiction premised on diversity. **One way in which a diverse defendant may establish improper joinder is by showing the inability of the plaintiff to establish a cause of action against the non-diverse party in state court.**¹⁶

29. Keeping this standard in mind, the **only** allegation against TEMPLE is:

The Defendant MRD Operating LLC and the Defendant **Hunter Temple** engaged in a **conspiracy** to threaten and coerce Plaintiff CLB, and upon information and belief, may have threatened or attempted to coerce other members of the class, into backing off demands for payment of royalties to which CLB, as class representative, is legally and contractually entitled.¹⁷

30. This claim of “conspiracy” is a gross, fraudulent, and – ultimately – ineffective attempt to defeat diversity jurisdiction.

31. The Fifth Circuit is clear: a hollow claim of “conspiracy” without supporting factual allegations is properly stricken under the Fraudulent Joinder Doctrine. *See, Badon v. RJR Nabisco, Inc.*, (5th Cir. 8/16/2000); 224 F.3d 382, 392-393 (Holding that defendant was “fraudulently joined” in attempt to defeat diversity jurisdiction, noting that “**Plaintiffs’ ‘conspiracy’ allegations are entirely general.**”). (Emphasis added).

32. The unacceptably vague “conspiracy” allegations in *Badon* were **much more detailed**¹⁸ than the allegation against TEMPLE. Accordingly, it is with even greater justification, *a fortiori*, that the Court issue a finding of fraudulent joinder here.

33. For instance, CLB and The Putative Class claim the alleged “conspiracy” is designed to

¹⁵ *See*, “Amemded [sic] and Restated Class Action Petition.”

¹⁶ *Borden v. Allstate Ins. Co.*, 08-30515 (5th Cir. 11/20/2009); 589 F.3d 168, 172 (citations omitted). (Emphasis added).

¹⁷ *See*, “Amemded [sic] and Restated Class Action Petition.” (Emphasis added).

¹⁸ *Id.* at FN 15. The “insufficient” allegations of “conspiracy” in *Badon* included over **eleven (11)** paragraphs and sub-paragraphs of allegations which were still too vague/speculative to state a viable claim for “conspiracy.”

“back [The Putative Class] off demands for payment of royalties” – **but there is not a single allegation of a single “demand” for payment of royalties anywhere in the record.**

34. Likewise, CLB and The Putative Class complain TEMPLE engaged in a “conspiracy” because he “may have threatened or attempted to coerce” – **but there is not a single allegation of a single action/statement made by TEMPLE anywhere in the record**, much less one that could be construed as “threatening” or “coercive.”

35. And – in that same vein – a mere suspicion that someone “**may**” have committed an act is an insufficient substitute for a legitimate cause of action. *See, Paragon Development Group, Inc. v. Skeins*, 96-2125 (La. App. 1 Cir. 9/19/1997); 700 So.2d 1279:

The mere suspicion that a party “**may**” be responsible [is not] sufficient to support bringing a cause of action for damages. *Id.* at 1282. (Emphasis in original).

and *Venegas v. U.S. Bank, Nat. Ass’n*, (W.D. Tex. 5/9/2013); 2013 WL 1948118 *5:

Plaintiffs’ allegations that the assignment of documents “**may**” be fake and that the signatures on the documents “**may not**” be those of [the signatories] are **insufficient to support a cause of action because the allegations are merely speculative.** (Emphasis added).

36. Finally, CLB and The Putative Class make reference to “information and belief” allegedly supporting the allegation of “conspiracy” against TEMPLE – **but they provide no facts in support of that alleged “information and belief” anywhere in the record.** Asserting bold legal labels in conjunction with the phrase “on information and belief” is not an allowable substitute for factual allegations. *See, Tracy v. NVR, Inc.*, (W.D.N.Y. 11/5/2009); 667 F.Supp. 2d 244, 247:

Mere boilerplate allegations...stated solely “**upon information and belief**” and without any supporting details...are **insufficient** to raise plaintiffs’ right to relief “above a speculative level” [] *See, Bell Atlantic Corp. v. Twombly*, 550 U.S. 544, 555, 127 S. Ct. 1955, 167

L.Ed. 2d 929 (2007) (“a plaintiff’s obligation to state a claim requires more than labels and conclusions, and a formulaic recitation of the elements of a cause of action and will not do. Factual allegations must be enough to raise a right to relief above the speculative level.”). (Emphasis added).

and *Protter v. Nathan’s Famous Systems, Inc.*, (E.D.N.Y. 10/21/1995); 904 F.Supp. 101, 110:

The fact that the Complaint makes a single conclusory allegation [] that “**upon information and belief**,” the defendants have attempted to perpetuate similar unlawful schemes upon others is **insufficient** to alter this determination, unless the plaintiff pleads facts explaining this belief and sufficiently alleging a cause of action based on such conduct...Accordingly, the plaintiff’s RICO allegations must be dismissed...(Emphasis added).

37. In short, a legal label of “conspiracy” without supporting facts is simply insufficient to survive a fraudulent joinder challenge.¹⁹

38. Here neither CLB nor The Putative Class have stated (nor can they state) a cause of action against TEMPLE in state court. Therefore, it is clear that TEMPLE is not a proper defendant in this matter, complete diversity exists, and removal is likewise proper.

¹⁹ See, *Howard v. CitiFinancial, Inc.* (S.D. Miss. 3/13/2002); 195 F.Supp. 2d 811, 819-820 (Defendants alleged to be in “conspiracy” were fraudulently joined in effort to defeat diversity jurisdiction.); *RD Living Trust v. CitiMortgage, Inc.*, 1:10-cv-3784-WSD (N.D. Ga. 3/29/2011) (Holding, that defendant was fraudulently joined when plaintiff’s allegations against the defendant were only “vague, non-specific allegations” that all defendants were acting in concert.); *Brumfield v. Pioneer Credit Co.*, (S.D. Miss. 10/17/2003); 291 F.Supp. 2d 462, 470 (Defendants alleged to be in “conspiracy” were fraudulently joined.); *Vieira v. Citigroup, Inc.* (N.D. Ga. 12/12/2012); 2012 WL 6194350 *2 (Holding that the defendant had been fraudulently joined, noting “when the Plaintiff has not provided enough facts to even dispute the Defendants’ claims of fraudulent joinder, the Court cannot resolve the uncertainties in the Plaintiff’s favor.”); *Brown v. Allstate Ins. Co.*, 17 F. Supp. 2d 1134, 1137 (S.D. Cal. 1998) (Holding that defendants were fraudulently joined when there were no material allegations of fact made against them which were not merely vague and conclusory.).

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PRAYER

WHEREFORE, the Defendants, MRD and TEMPLE respectfully pray that the matter described herein above be removed and that this Honorable Court assume full jurisdiction over this action.

Respectfully submitted by Attorneys for Defendants:

Russell A. Woodard, Jr. T/A
RUSSELL A. WOODARD, JR. (#34163)
P. SCOTT WOLLESON (#22691)
**BREITHAUP, DUNN, DUBOS,
SHAFTO & WOLLESON, LLC**
1811 Tower Dr., Suite D
Monroe, La. 71207
Telephone: (318) 322-1202
Facsimile: (318) 322-1984
E-mail: rwoodard@bddswlaw.com

Certificate of Service

I hereby certify that on the 24th day of June, 2016, I electronically filed the foregoing Notice of Removal with the Clerk of the Court by using the CM/ECF system, which sent notification to all counsel of record.

Russell A. Woodard, Jr.
Russell A. Woodard, Jr.

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Notice of Service of Process

SP411551
Page 1 of 1

DATE: June 17, 2016
TO: Kyle Roane
Memorial Production Partners GP LLC
500 Dallas Street
Suite 1600
Houston, TX 77002
US
RE: SERVICE OF PROCESS:
MRD OPERATING LLC

SENT VIA:
☒ Email
☒ Federal Express
☐ Facsimile Transmission
☐ Other:
Tracking Number:
776542513475

The enclosed Service of Process was received by the statutory agent in: **Louisiana**
on the date of: **June 16, 2016**
received via: **Personal Service**

TITLE OF ACTION: CLB Properties Inc vs. MRD OPERATING LLC, et al.

COURT AND CASE NO: Third Judicial District Parish of Lincoln, Louisiana

Case No. 58295
Citation and Petition, et al.

RESPONSE REQUIRED BY: See Documents

NOTE:

Sincerely,

Andrew Lundgren, Manager - Registered Agent Services

Please carefully review the document referenced above to confirm all information, including the Response Date, for accuracy. The information noted above is provided based on our review and is not a legal opinion.
PLEASE CONSULT THE SERVICES OF A COMPETENT PROFESSIONAL ATTORNEY.

EXHIBIT "1"

ATTORNEY: CHRIS BOWMAN

D431262

CITATION

CLB PROPERTIES INC	THIRD JUDICIAL DISTRICT
VS.	PARISH OF LINCOLN
MRD OPERATING LLC, ET AL	STATE OF LOUISIANA
DOCKET NUMBER: C-58295	

TO: MRD OPERATING LLC
THROUGH ITS AGENT FOR SERVICE OF PROCESS
NATIONAL CORPORATE RESEARCH LTD
3867 PLAZA TOWER DRIVE; 1ST FLOOR
BATON ROUGE, LA 70816

YOU ARE HEREBY CITED to comply with the demand contained in the petition, a certified copy of which accompanies this citation, (exclusive of exhibits). Alternatively, you should file an answer or other pleading to said petition in the office of the Clerk of the Third Judicial District Court, in the Lincoln Parish Courthouse Ruston, Louisiana, within fifteen (15) days after the service hereof. Your failure to comply herewith will subject you to the penalty of entry of default judgment against you.

WITNESS THE HONORABLE JUDGES of said Court, this JUNE 1, 2016.

LINDA COOK, CLERK OF COURT

By: 

Deputy Clerk of Court
Lincoln Parish

ATTACHMENTS
CLASS ACTION PETITION

SHERIFF'S RETURN

DATE: _____ 20____
SERVED: _____
PERSONAL () _____
DOMICILIARY () _____
UNABLE TO LOCATE MOVED () NO SUCH ADDRESS ()
OTHER REASON : _____
RECEIVED TO LATE FOR SERVICE ()
SERVICE OF WITHIN PAPERS
COST FOR FEE: \$ _____ MILEAGE: \$ _____ TOTAL: \$ _____
DEPUTY: _____

CLB PROPERTIES, INC. : 3RD JUDICIAL DISTRICT
 VERSUS NO. 58295 : PARISH OF LINCOLN
 MRD OPERATING, LLC : STATE OF LOUISIANA
 FILED: JUN -1 2016 : S/DEBRA B. SIMMONS
 Tax Filed 5/27/16 : CLERK OF COURT

CLASS ACTION PETITION

NOW INTO COURT, through undersigned counsel, comes CLB PROPERTIES, INC., a Louisiana Corporation domiciled in Jackson Parish, Louisiana, appearing herein in its individual capacity, as well as representative of a class of individuals, corporations, or entities similarly holding a mineral interest in the Terryville Field, situated in Lincoln Parish, Louisiana, who with respect shows and avers as follows, to-wit:

1.

Made Defendant herein is MRD OPERATING, LLC, (hereinafter referred to as MRD), a non-resident Limited Liability Company, who may be served through its agent for service of process, National Corporate Research, Ltd., 3867 Plaza Tower Drive, 1st Floor, Baton Rouge, LA 70816; and

HUNTER TEMPLE, a major resident and domiciliary of Caddo Parish, Louisiana, who may be served at his principal office at Hunter Temple Resources, LLC on 115 E. Mississippi Avenue in Ruston, Louisiana.

2.

Petitioner and class members herein all own mineral interests in royalties in Lincoln Parish, in oil and gas fields more commonly known as the Terryville Field.

3.

The Defendant herein is the operator and lessee of certain mineral leases in which members of the class, being lessors, leased interests to the Defendant MRD Operating, LLC, being either the original lessee, or the successor lessees of leases executed by class members.

4.

The Defendant MRD has undertaken activity of drilling wells, completing wells, and producing the wells, of certain oil and gas and derivatives therefrom in the Terryville Field in Lincoln Parish, Louisiana.

A True Copy of the Original on File
 JUN -1 2016, 20
 Debra B. Simmons
 Dy. Clerk, District Court

Law Offices of
 Chris L. Bowman
 Attorney At Law
 P.O. Box 190
 Jonesboro, Louisiana 71251

5.

The Defendant MRD took over Terryville Field from its predecessor on or about January 1, 2015.

6.

Since taking over exploration, drilling and operation of the Terryville Field, the Defendant MRD has undertaken a course of action in violation of Louisiana Law, as well as fraudulent acts which include but are not limited to the following:

- a) Failing to report wells as completed upon completion to the State of Louisiana, Department of Natural Resources as required by law.
- b) Producing the wells without reporting said production to the State of Louisiana, Department of Natural Resources in a timely fashion.
- c) Failure to pay royalty owners for royalties due pursuant to the leases and in accordance with Louisiana Law in a timely fashion.

7.

The Defendant MRD Operating, LLC and the Defendant Hunter Temple herein, likewise engaged in a conspiracy to threaten and coerce Plaintiff herein upon information and belief, may have threatened or attempted to coerce other members of the class into backing off demands for payment for royalties which the class representative hereinabove is legally and clearly entitled to receive.

8.

It is respectfully submitted that the conduct referred to hereinabove of MRD is being engaged in numerous units throughout the Terryville Field, is all being done with the intent and/or depriving the land owners or mineral owners timely payment of royalties in which they are entitled, pursuant to their leases and Louisiana Law.

9.

Petitioner and class members herein respectfully show and aver that the conduct of the Defendants herein likewise violate the Louisiana Unfair Trade Practices Act. As a result thereof, Petitioner and class members are entitled to receive damages reasonable in the premises, together with attorney's fees and for all costs of these proceedings.

10.

Petitioner and class members herein are likewise entitled to receive injunctive

Law Offices of
Chris L. Bowman
Attorney At Law
P.O. Box 190
Jonesboro, Louisiana 71251

relief, enjoining the Defendant's herein from the continued violation of State Law, and should be ordered to show cause at a date and time to be fixed in the future, why they should not be ordered and compelled by this Honorable Court to comply with applicable State Law, requiring the timely reporting of completion of wells drilled, as well as production of minerals therefrom.

11.

Furthermore, Defendant MRD should be ordered to pay mineral owners or lessors for royalties which they are entitled to receive in a timely fashion under law.

12.

Petitioner further shows that the Defendant herein is in violation of the lease specifically executed by Petitioner, in that MRD has failed to timely pay royalties pursuant to the lease; and therefore, Petitioner is entitled to a cancellation of its lease with MRD, or its predecessor, in recognition that its mineral interest owned by Petitioner is a working interest and no longer subject to the lease.

13.

Petitioner requests of this Honorable Court that after reasonable discovery relative to the certification of the class described hereinabove, hold a hearing to certify the class of Plaintiffs referred to hereinabove.

14.

Petitioner and class members are entitled to a judgment of the court, ordering payment of royalties due them, together with judicial interest.

15.

The amount of damages sought by Plaintiff and class members herein are in excess of the requisite jurisdictional amount for a trial by jury.

WHEREFORE, Plaintiff and class members PRAY that the Defendants, MRD OPERATING, LLC and HUNTER TEMPLE be served the foregoing, and cited to appear and answer same, and after due proceedings, the class be certified.

FURTHER PRAYS that there be Judgment herein in favor of Petitioner and class members and against the Defendants, MRD OPERATING, LLC and HUNTER TEMPLE, and that Petitioner and class members be awarded damages reasonable in the premises.

Law Offices of
Chris L. Bowman
Attorney At Law
P.O. Box 190
Jonesboro, Louisiana 71251


FURTHER PRAYS that in addition to the damages, that Petitioner be ordered to pay attorney's fees and all costs of these proceedings.

FURTHER PRAYS that after due proceedings had, there be Judgment herein, granting a permanent injunction, enjoining the Defendant's herein from the continued violation of State Law, and should be ordered to show cause at a date and time to be fixed in the future, why they should not be ordered and compelled by this Honorable Court to comply with applicable State Law, requiring the timely reporting of completion of wells drilled, as well as production of minerals therefrom.

FURTHER PRAYS that there be Judgment herein in favor of Petitioner and class members and against MRD OPERATING, LLC for payment of royalties due them, together with judicial interest.

FURTHER PRAYS for all necessary orders and decrees and for just and equitable relief.

Law Offices of
Chris L. Bowman
Attorney At Law
P.O. Box 190
Jonesboro, Louisiana 71251


CHRIS L. BOWMAN #18131
ATTORNEY AT LAW
330 EAST MAIN STREET
P. O. BOX 190
JONESBORO, LA 71251
318/259-6200

PLEASE SERVE:

MRD OPERATING, LLC
THROUGH ITS AGENT FOR SERVICE OF PROCESS
NATIONAL CORPORATE RESEARCH, LTD.
3867 PLAZA TOWER DRIVE
1ST FLOOR
BATON ROUGE, LA 70816

HUNTER TEMPLE
HUNTER TEMPLE RESOURCES, LLC
115 E. MISSISSIPPI AVENUE
RUSTON, LA 71270

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CLB PROPERTIES, INC. : 3RD JUDICIAL DISTRICT
VERSUS NO. *58295* : PARISH OF LINCOLN
MRD OPERATING, LLC : STATE OF LOUISIANA
FILED: JUN 14 2016 s/ *Laura Barmore*
Dy CLERK OF COURT

JOINT MOTION TO ENROLL AND WITHDRAW COUNSEL OF RECORD

NOW INTO COURT come Gordon L. James and the law firm of Hudson, Potts and Bernstein, LLP, and Chris L. Bowman who move the Court for an order allowing Gordon L. James and the law firm of Hudson, Potts and Bernstein to enroll in this matter as additional counsel of record for Plaintiffs and all putative class members and allowing Chris L. Bowman to withdraw and respectfully show:

1.

This Class Action Petition has only been pending a short time and no responsive pleadings have been filed.

2.

The parties show that the granting of this Joint Motion will not retard the progress of the proceedings or cause any delay, and therefore ask the Court to grant an order allowing the requested enrollment of Gordon L. James and Hudson, Potts & Bernstein and the withdrawal of Chris L. Bowman.

WHEREFORE, Plaintiffs request that an order issue herein enrolling Gordon L. James and the law firm of Hudson Potts & Bernstein as counsel of record for Plaintiffs and the putative class members and allowing Chris L. Bowman to withdraw.

Respectfully submitted by:

CHRIS L. BOWMAN #18131
ATTORNEY AT LAW
330 EAST MAIN STREET
JONESBORO, LA 71251
(318)259-6200

GORDON L. JAMES #0722
JOHNNY R. HUCKABAY II #28936
LARRY McCARTY #35903
HUDSON POTTS & BERNSTEIN, LLP
1800 HUDSON LANE, SUITE 300
MONROE, LA 71201
(318) 388-4400

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CLB PROPERTIES, INC. : 3RD JUDICIAL DISTRICT
VERSUS NO. 58,295 : PARISH OF LINCOLN
MRD OPERATING, LLC : STATE OF LOUISIANA
FILED: _____ : _____
CLERK OF COURT

ORDER ENROLLING AND WITHDRAWING COUNSEL

CONSIDERING THE FOREGOING MOTION:

IT IS HEREBY ORDERED that Gordon L. James and the law firm of Hudson, Potts & Bernstein, LLP, be enrolled as counsel of record for Plaintiffs and all putative class members and withdrawing Chris L. Bowman as counsel.

THUS DONE AND SIGNED this ____ day of June, 2016.

JUDGE
THIRD JUDICIAL DISTRICT
PARISH OF LINCOLN
STATE OF LOUISIANA

EXHIBIT "1"

Case 3:16-cv-00901 Document 1-1 Filed 06/24/16 Page 9 of 14 PageID #: 18

CLB PROPERTIES, INC. : 3RD JUDICIAL DISTRICT
 VERSUS NO. 58,295 : PARISH OF LINCOLN
 MRD OPERATING, LLC : STATE OF LOUISIANA
 FILED: JUN 14 2016 : s/ Laura Barmore
 Dy CLERK OF COURT

AMENDED AND RESTATED CLASS ACTION PETITION

NOW INTO COURT, through undersigned counsel, comes CLB PROPERTIES, INC., (hereinafter "CLB") a Louisiana Corporation domiciled in Jackson Parish, Louisiana, appearing herein in its individual capacity, as well as representative of a class of individuals, corporations, or entities similarly holding a mineral interest in the Terryville Field, situated in Lincoln Parish, Louisiana, who shows that no answer has been served as of the filing of this Amended and Restated Class Action Petition such that leave of Court is not necessary, and who with respect shows:

1.

Made Defendants herein are:

MRD OPERATING, LLC, (hereinafter referred to as MRD), a non-resident Limited Liability Company, who may be served through its agent for service of process, National Corporate Research, Ltd., 3867 Plaza Tower Drive, 1st Floor, Baton Rouge, LA 70816; and

HUNTER TEMPLE, a major resident and domiciliary of Caddo Parish, Louisiana, who may be served at his principal office at Hunter Temple Resources, LLC on 115 E. Mississippi Avenue in Ruston, Louisiana.

2.

Petitioner and class members are landowners, lessors, and mineral interest holders who own mineral interests in the form of royalties in Lincoln Parish, in oil and gas fields more commonly known as the Terryville Field.

3.

Defendant MRD is the operator and lessee of certain mineral leases in which members of the class or their predecessors leased interests to the Defendant MRD Operating, LLC, or its predecessors being either the original lessee, or the successor lessees of leases executed by class members.

4.

Defendant MRD has undertaken the drilling of wells, completing wells, and producing

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from the wells certain oil and gas and derivatives in the Terryville Field in Lincoln Parish, Louisiana.

5.

Defendant MRD took over the Terryville Field from its predecessor on or about January 1, 2015.

6.

Since taking over exploration, drilling and operation of the Terryville Field, Defendant MRD has undertaken a course of action in violation of Louisiana Law which includes but is not limited to the following acts:

- a.) Failing to report wells as completed upon completion to the State of Louisiana, Department of Natural Resources as required by law;
- b.) Producing the wells without reporting said production to the State of Louisiana, Department of Natural Resources in a timely fashion; and
- c.) Failure to pay royalty owners for royalties due pursuant to the leases and in accordance with Louisiana Law in a timely fashion.

7.

The Defendant MRD Operating, LLC and the Defendant Hunter Temple engaged in a conspiracy to threaten and coerce Plaintiff CLB, and upon information and belief, may have threatened or attempted to coerce other members of the class, into backing off demands for payment of royalties to which CLB, as class representative, is legally and contractually entitled.

8.

MRD is engaging in the threatening and coercive conduct in numerous units throughout the Terryville Field with the intent of depriving the landowners, lessors or mineral owners of timely payment of royalties to which they are entitled pursuant to their leases and Louisiana Law.

9.

Petitioner CLB and class members respectfully show that the conduct of the Defendants violates the Louisiana Unfair Trade Practices Act, and, as a result, Petitioner and class members are entitled to receive damages reasonable in the premises, together with attorney's fees and all costs of these proceedings.

10.

Petitioner and class members herein are also entitled to injunctive relief, enjoining the

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Defendants from the continued violation of State Law, and ordering the Defendants to show cause, at a date and time to be fixed in the future, why they should not be ordered and compelled by this Honorable Court to comply with applicable State Law, requiring the timely reporting of completion of wells drilled as well as production of minerals therefrom.

11.

Defendant MRD should be ordered to pay Petitioner CLB and class members royalties to which they are entitled in a timely fashion under law in addition to interest at the legal rate from the due date of the royalty payments.

12.

Petitioner CLB further shows that the Defendant MRD is in violation of the lease specifically executed by Petitioner, in that MRD has failed to timely pay royalties pursuant to the lease; and therefore, Petitioner is entitled to a cancellation of its lease with MRD, or its predecessor, in recognition that the mineral interest owned by Petitioner is a working interest and no longer subject to the lease.

13.

Petitioner requests of this Honorable Court that after reasonable discovery relative to the certification of the class described hereinabove, that a hearing be held to certify the class of Plaintiffs referred to hereinabove and motion for such hearing is hereby made.

14.

The amount of damages sought by Plaintiff and class members herein is in excess of the requisite jurisdictional amount for a trial by jury and Petitioner demands trial by jury of all issues.

WHEREFORE, Plaintiff and class members PRAY that the Defendants, MRD OPERATING, LLC and HUNTER TEMPLE be served with citation and a certified copy of this Petition, and be required to appear and answer same and after due proceedings, the class be certified.

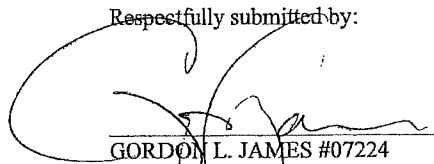
FURTHER PRAYS that there be Judgment herein in favor of Petitioner and class members and against the Defendants, MRD OPERATING, LLC and HUNTER TEMPLE, awarding all past due royalties with interest from due date and such other damages reasonable in the premises, reasonable attorneys' fees and all costs of these proceedings.

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FURTHER PRAYS that after due proceedings had, there be Judgment herein, granting a permanent injunction, enjoining the Defendant from the continued violation of State Law.

FURTHER PRAYS for all necessary orders and decrees and for just and equitable relief.

Respectfully submitted by:



GORDON L. JAMES #07224
JOHNNY R. HUCKABAY II #28936
LARRY McCARTY #36903
HUDSON, POTTS & BERNSTEIN, LLP
1800 HUDSON LANE, SUITE 300
MONROE, LA 71201
(318) 388-4400

PLEASE SERVE:

MRD OPERATING, LLC
THROUGH ITS AGENT FOR SERVICE OF PROCESS
NATIONAL CORPORATE RESEARCH, LTD.
3867 PLAZA TOWER DRIVE
1ST FLOOR
BATON ROUGE, LA 70816

HUNTER TEMPLE
HUNTER TEMPLE RESOURCES, LLC
115 E. MISSISSIPPI AVENUE
RUSTON, LA 71270

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CLB PROPERTIES, INC. : 3RD JUDICIAL DISTRICT
 VERSUS NO. *582A5* : PARISH OF LINCOLN
 MRD OPERATING, LLC : STATE OF LOUISIANA
 FILED: JUN 14 2016 s/ Laura Barmore
Dy CLERK OF COURT

JOINT MOTION TO ENROLL AND WITHDRAW COUNSEL OF RECORD

NOW INTO COURT come Gordon L. James and the law firm of Hudson, Potts and Bernstein, LLP, and Chris L. Bowman who move the Court for an order allowing Gordon L. James and the law firm of Hudson, Potts and Bernstein to enroll in this matter as additional counsel of record for Plaintiffs and all putative class members and allowing Chris L. Bowman to withdraw and respectfully show:

1.

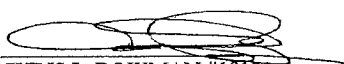
This Class Action Petition has only been pending a short time and no responsive pleadings have been filed.

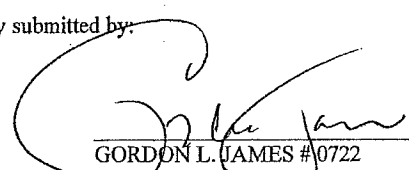
2.

The parties show that the granting of this Joint Motion will not retard the progress of the proceedings or cause any delay, and therefore ask the Court to grant an order allowing the requested enrollment of Gordon L. James and Hudson, Potts & Bernstein and the withdrawal of Chris L. Bowman.

WHEREFORE, Plaintiffs request that an order issue herein enrolling Gordon L. James and the law firm of Hudson Potts & Bernstein as counsel of record for Plaintiffs and the putative class members and allowing Chris L. Bowman to withdraw.

Respectfully submitted by:


 CHRIS L. BOWMAN #18131
 ATTORNEY AT LAW
 330 EAST MAIN STREET
 JONESBORO, LA 71251
 (318)259-6200


 GORDON L. JAMES #0722
 JOHNNY R. HUCKABAY II #28936
 LARRY McCARTY #36903
 HUDSON POTTS & BERNSTEIN, LLP
 1800 HUDSON LANE, SUITE 300
 MONROE, LA 71201
 (318) 388-4400

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CLB PROPERTIES, INC. : 3RD JUDICIAL DISTRICT

VERSUS NO. 58,295 : PARISH OF LINCOLN

MRD OPERATING, LLC : STATE OF LOUISIANA

FILED: _____ : _____
CLERK OF COURT

ORDER ENROLLING AND WITHDRAWING COUNSEL

CONSIDERING THE FOREGOING MOTION:

IT IS HEREBY ORDERED that Gordon L. James and the law firm of Hudson, Potts & Bernstein, LLP, be enrolled as counsel of record for Plaintiffs and all putative class members and withdrawing Chris L. Bowman as counsel.

THUS DONE AND SIGNED this ____ day of June, 2016.

JUDGE
THIRD JUDICIAL DISTRICT
PARISH OF LINCOLN
STATE OF LOUISIANA

EXHIBIT "1"

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UNITED STATES DISTRICT COURT * WESTERN DISTRICT OF LOUISIANA

MONROE DIVISION

CLB PROPERTIES, INC.

DOCKET NO: _____

JUDGE: _____

versus

MRD OPERATING LLC

MAGISTRATE: _____

DECLARATION OF THOMAS LANDRY

HERE COMES Thomas Landry, a major resident and domiciliary of Houston, Texas, who on the 23rd day of June, 2016, did affirmatively swear and attest as follows:

1. I have worked for Memorial Resource Development Corp. in the capacity of Landman for over the past 1½ years. I have also reviewed the pleadings which were filed by CLB Properties, Inc. in the above-referenced matter. Accordingly, everything attested to herein is based on my own personal, first-hand knowledge.
2. In the ordinary and normal course of my job as a Landman with Memorial Resource Development Corp., I am personally privy to information regarding the value and payment of mineral royalties, including production reports of mineral interests in the Terryville Complex (which is primarily located in Lincoln Parish, Louisiana). Taking my ordinary and normal work responsibilities in conjunction with responding to the complaints alleged by CLB Properties, Inc. in this matter, I have first-hand knowledge as to the following issues related to the Terryville Complex:
 - a. There are approximately 8,100 different royalty owners within the Terryville Complex; and
 - b. The monetary amount of royalties scheduled for payment to CLB Properties, Inc. for the wells complained-of in the lawsuits filed by CLB Properties, Inc. is approximately \$349,510.
3. MRD Operating LLC is a non-Louisiana limited-liability company. The sole member of MRD Operating LLC is Memorial Resource Development Corp., which is a Delaware corporation with its principal place of business in the State of Texas.

Pursuant to 28 U.S.C. § 1746, I declare under penalty of perjury that the foregoing is true and correct.


THOMAS LANDRY

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JS 44 (Rev. 11/15)

CIVIL COVER SHEET

The JS 44 civil cover sheet and the information contained herein neither replace nor supplement the filing and service of pleadings or other papers as required by law, except as provided by local rules of court. This form, approved by the Judicial Conference of the United States in September 1974, is required for the use of the Clerk of Court for the purpose of initiating the civil docket sheet. (SEE INSTRUCTIONS ON NEXT PAGE OF THIS FORM.)

I. (a) PLAINTIFFS
CLP PROPERTIES, INC.(b) County of Residence of First Listed Plaintiff LINCOLN PARISH
(EXCEPT IN U.S. PLAINTIFF CASES)(c) Attorneys (Firm Name, Address, and Telephone Number)
Hudson Potts & Bernstein, LLP 318-388-4400
1800 Hudson Lane, Suite 300
Monroe, LA 71201**DEFENDANTS**
MRD OPERATING LLCCounty of Residence of First Listed Defendant
(IN U.S. PLAINTIFF CASES ONLY)

NOTE: IN LAND CONDEMNATION CASES, USE THE LOCATION OF THE TRACT OF LAND INVOLVED.

Attorneys (If Known)
Breithaupt, Dunn, DuBos, Shafto & Wolleson, LLC 318-322-1202
1811 Tower Drive, Suite D
Monroe, LA 71201**II. BASIS OF JURISDICTION** (Place an "X" in One Box Only)

- ☐ 1 U.S. Government Plaintiff
- ☐ 2 U.S. Government Defendant
- ☐ 3 Federal Question (U.S. Government Not a Party)
- ☒ 4 Diversity (Indicate Citizenship of Parties in Item III)

III. CITIZENSHIP OF PRINCIPAL PARTIES (Place an "X" in One Box for Plaintiff and One Box for Defendant)

- | | PTF | DEF | | PTF | DEF |
|---|---------------------------------------|---------------------------------------|---|---------------------------------------|---------------------------------------|
| Citizen of This State | <input checked="" type="checkbox"/> 1 | <input type="checkbox"/> 1 | Incorporated or Principal Place of Business in This State | <input checked="" type="checkbox"/> 4 | <input type="checkbox"/> 4 |
| Citizen of Another State | <input type="checkbox"/> 2 | <input checked="" type="checkbox"/> 2 | Incorporated and Principal Place of Business in Another State | <input type="checkbox"/> 5 | <input checked="" type="checkbox"/> 5 |
| Citizen or Subject of a Foreign Country | <input type="checkbox"/> 3 | <input type="checkbox"/> 3 | Foreign Nation | <input type="checkbox"/> 6 | <input type="checkbox"/> 6 |

IV. NATURE OF SUIT (Place an "X" in One Box Only)

CONTRACT	TORTS	FORFEITURE/PENALTY	BANKRUPTCY	OTHER STATUTES
<input type="checkbox"/> 110 Insurance <input type="checkbox"/> 120 Marine <input type="checkbox"/> 130 Miller Act <input type="checkbox"/> 140 Negotiable Instrument <input type="checkbox"/> 150 Recovery of Overpayment & Enforcement of Judgment <input type="checkbox"/> 151 Medicare Act <input type="checkbox"/> 152 Recovery of Defaulted Student Loans (Excludes Veterans) <input type="checkbox"/> 153 Recovery of Overpayment of Veteran's Benefits <input type="checkbox"/> 160 Stockholders' Suits <input checked="" type="checkbox"/> 190 Other Contract <input type="checkbox"/> 195 Contract Product Liability <input type="checkbox"/> 196 Franchise	PERSONAL INJURY <input type="checkbox"/> 310 Airplane <input type="checkbox"/> 315 Airplane Product Liability <input type="checkbox"/> 320 Assault, Libel & Slander <input type="checkbox"/> 330 Federal Employers' Liability <input type="checkbox"/> 340 Marine <input type="checkbox"/> 345 Marine Product Liability <input type="checkbox"/> 350 Motor Vehicle <input type="checkbox"/> 355 Motor Vehicle Product Liability <input type="checkbox"/> 360 Other Personal Injury <input type="checkbox"/> 362 Personal Injury - Medical Malpractice	<input type="checkbox"/> 625 Drug Related Seizure of Property 21 USC 881 <input type="checkbox"/> 690 Other LABOR <input type="checkbox"/> 710 Fair Labor Standards Act <input type="checkbox"/> 720 Labor/Management Relations <input type="checkbox"/> 740 Railway Labor Act <input type="checkbox"/> 751 Family and Medical Leave Act <input type="checkbox"/> 790 Other Labor Litigation <input type="checkbox"/> 791 Employee Retirement Income Security Act	<input type="checkbox"/> 422 Appeal 28 USC 158 <input type="checkbox"/> 423 Withdrawal 28 USC 157 PROPERTY RIGHTS <input type="checkbox"/> 820 Copyrights <input type="checkbox"/> 830 Patent <input type="checkbox"/> 840 Trademark SOCIAL SECURITY <input type="checkbox"/> 861 HIA (1395ff) <input type="checkbox"/> 862 Black Lung (923) <input type="checkbox"/> 863 DIWC/DIWW (405(g)) <input type="checkbox"/> 864 SSID Title XVI <input type="checkbox"/> 865 RSI (405(g))	<input type="checkbox"/> 375 False Claims Act <input type="checkbox"/> 376 Qui Tam (31 USC 3729(a)) <input type="checkbox"/> 400 State Reapportionment <input type="checkbox"/> 410 Antitrust <input type="checkbox"/> 430 Banks and Banking <input type="checkbox"/> 450 Commerce <input type="checkbox"/> 460 Deportation <input type="checkbox"/> 470 Racketeer Influenced and Corrupt Organizations <input type="checkbox"/> 480 Consumer Credit <input type="checkbox"/> 490 Cable/Sat TV <input type="checkbox"/> 850 Securities/Commodities/Exchange <input type="checkbox"/> 890 Other Statutory Actions <input type="checkbox"/> 891 Agricultural Acts <input type="checkbox"/> 893 Environmental Matters <input type="checkbox"/> 895 Freedom of Information Act <input type="checkbox"/> 896 Arbitration <input type="checkbox"/> 899 Administrative Procedure Act/Review or Appeal of Agency Decision <input type="checkbox"/> 950 Constitutionality of State Statutes
REAL PROPERTY <input type="checkbox"/> 210 Land Condemnation <input type="checkbox"/> 220 Foreclosure <input type="checkbox"/> 230 Rent Lease & Ejectment <input checked="" type="checkbox"/> 240 Torts to Land <input type="checkbox"/> 245 Tort Product Liability <input type="checkbox"/> 290 All Other Real Property	CIVIL RIGHTS <input type="checkbox"/> 440 Other Civil Rights <input type="checkbox"/> 441 Voting <input type="checkbox"/> 442 Employment <input type="checkbox"/> 443 Housing/Accommodations <input type="checkbox"/> 445 Amer. w/Disabilities - Employment <input type="checkbox"/> 446 Amer. w/Disabilities - Other <input type="checkbox"/> 448 Education	PRISONER PETITIONS Habeas Corpus: <input type="checkbox"/> 463 Alien Detainee <input type="checkbox"/> 510 Motions to Vacate Sentence <input type="checkbox"/> 530 General <input type="checkbox"/> 535 Death Penalty Other: <input type="checkbox"/> 540 Mandamus & Other <input type="checkbox"/> 550 Civil Rights <input type="checkbox"/> 555 Prison Condition <input type="checkbox"/> 560 Civil Detainee - Conditions of Confinement	FEDERAL TAX SUITS <input type="checkbox"/> 870 Taxes (U.S. Plaintiff or Defendant) <input type="checkbox"/> 871 IRS—Third Party 26 USC 7609	

V. ORIGIN (Place an "X" in One Box Only)

- ☐ 1 Original Proceeding
- ☒ 2 Removed from State Court
- ☐ 3 Remanded from Appellate Court
- ☐ 4 Reinstated or Reopened
- ☐ 5 Transferred from Another District (specify)
- ☐ 6 Multidistrict Litigation

VI. CAUSE OF ACTIONCite the U.S. Civil Statute under which you are filing (Do not cite jurisdictional statutes unless diversity):
28 U.S.C. 1332Brief description of cause:
Alleged failure to pay mineral royalties.**VII. REQUESTED IN COMPLAINT:**☒ CHECK IF THIS IS A CLASS ACTION UNDER RULE 23, F.R.Cv.P.DEMAND \$
5,000,000.00CHECK YES only if demanded in complaint:
JURY DEMAND: ☒ Yes ☐ No**VIII. RELATED CASE(S) IF ANY**

(See instructions):

JUDGE

DOCKET NUMBER C-58295

DATE
06/24/2016

SIGNATURE OF ATTORNEY OF RECORD

FOR OFFICE USE ONLY

RECEIPT #

AMOUNT

APPLYING IFP

JUDGE

MAG. JUDGE