

DALLAS, Sept. 9, 2015 /PRNewswire/ -- Prominent Texas oil and gas investor Edward Bass and more than a dozen other Barnett Shale mineral rights owners have settled a lawsuit against natural gas production giant Chesapeake Operating Inc. (NYSE: CHK) for allegedly underpaying oil and gas royalties and breaching its contracts with the landowners. The settlement terms are confidential.

"We're very pleased that this matter has been resolved," says attorney Daniel Charest of Dallas-based Burns Charest LLP, who represents the landowner plaintiffs. "We believe the evidence was compelling on behalf of the property owners."

Mr. Bass and the other property owners hold mineral rights to almost 4,000 acres in southern Tarrant County and northern Johnson County, where Chesapeake has handled production activities on some of the properties since 2007.

Originally filed in 2013, the lawsuit alleged that Oklahoma City-based Chesapeake violated lease agreements by selling natural gas production from one corporate subsidiary to another, which depressed the resulting price and the amount owed to each landowner. The lawsuit also claimed that Chesapeake took improper deductions from those royalty payments in order to cover expenses for drilling, production and post-production activities. Some of the leases permitted Chesapeake to pass on production costs in certain circumstances, but court documents showed that those contractual terms were never met.

Last month, Judge Ed Kinkeade of the U.S. District Court for the Northern District of Texas in Dallas found in favor of the mineral rights owners in a significant summary judgment ruling that both parties now have asked the court to withdraw in light of the settlement. According to court documents, Chesapeake could have faced damages of at least \$8.6 million, in addition to additional damages, had the case gone to trial.

The case is Trinity Valley School, et al. v. Chesapeake Operating Inc., et al., No. 3:13-cv-01082-K.

Burns Charest is a Dallas and New Orleans-based trial law firm with a national practice representing consumers and businesses. The firm represents clients in large, complex class actions; antitrust claims; oil and gas royalty disputes; environmental pollution cases; and asbestos exposure claims. To learn more, visit <http://www.burnscharest.com>.

For more information on the settlement with Chesapeake, please contact Mark Annick at 800-559-4534 or mark@androvett.com.

To view the original version on PR Newswire, visit:<http://www.prnewswire.com/news-releases/texas-mineral-rights-owners-settle-with-chesapeake-in-royalty-payment-lawsuit-300>

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