B 10 (Official Form 10) (04/10)

UNITED STATES BANKRUPTCY COURT Northern District of Texas		PROOF OF CLAIM	
Name of Debtor: Axis Onshore, L.P.	Case Number 10-3356		
NOTE: This form should not be used to make a claim for an administrative expense arising after the commencement of administrative expense may be filed pursuant to 11 U.S.C. § 503.			
Name of Creditor (the person or other entity to whom the debtor owes money or property): Missiana, L.L.C.	☐ Check this box to indicate that this claim amends a previously filed claim.		
Name and address where notices should be sent:  RECEIVED  RECEIVED			
Donald J. Ethridge, Mangham & Associates, L.L.C.  406 Audubon Blvd., Suite A	Court Clair	n Number:	
Lafayette, LA 70503   JUI 28 2010	(If known	)	
Felephone number:	1		
(337) 233-6200 BMC GROUP	Filed on:		
Name and address where payment should be sent (if different from above):	anyone e relating t	is box if you are aware that lse has filed a proof of claim o your claim. Attach copy of t giving particulars.	
Telephone number:		is box if you are the debtor in this case.	
1. Amount of Claim as of Date Case Filed: \$ 50,000.00		5. Amount of Claim Entitled to	
If all or part of your claim is secured, complete item 4 below; however, if all of your claim is unsecured, do not complete item 4.	Priority under 11 U.S.C. §507(a). If any portion of your claim falls in one of the following categories, check the box and state the		
If all or part of your claim is entitled to priority, complete item 5.	amount.		
Check this box if claim includes interest or other charges in addition to the principal amount of claim. Attach itemized statement of interest or charges.		priority of the claim.	
2. Basis for Claim: See Addendum "A" hereto		support obligations under . §507(a)(1)(A) or (a)(1)(B).	
(See instruction #2 on reverse side.)  3. Last four digits of any number by which creditor identifies debtor:	□ Wanes s	alaries or commissions (un	
3a. Debtor may have scheduled account as:  (See instruction #3a on reverse side.)	<ul> <li>□ Wages, salaries, or commissions (up to \$11,725*) earned within 180 days before filing of the bankruptcy petition or cessation of the debtor's business, whichever is earlier – 11 U.S.C. §507 (a)(4).</li> <li>□ Contributions to an employee benefit</li> </ul>		
4. Secured Claim (See instruction #4 on reverse side.) Check the appropriate box if your claim is secured by a lien on property or a right of setoff and provide the requested information.			
Nature of property or right of setoff:   Real Estate   Motor Vehicle  Other  Describe:	plan – 1 l	U.S.C. §507 (a)(5).	
Value of Property:\$ Annual Interest Rate%	Up to \$2,600* of deposits toward purchase, lease, or rental of property or services for personal, family, or household use – 11 U.S.C. §507 (a)(7).		
Amount of arrearage and other charges as of time case filed included in secured claim,			
if any: \$Basis for perfection:	☐ Taxes or penalties owed to governmental units — 11 U.S.C. §507 (a)(8).		
Amount of Secured Claim: \$ Amount Unsecured: \$			
6. Credits: The amount of all payments on this claim has been credited for the purpose of making this proof of claim.		Specify applicable paragraph S.C. §507 (a)().	
7. Documents: Attach redacted copies of any documents that support the claim, such as promissory notes, purchase orders, invoices, itemized statements of running accounts, contracts, judgments, mortgages, and security agreements. You may also attach a summary. Attach redacted copies of documents providing evidence of perfection of		ent entitled to priority:	
a security interest. You may also attach a summary. (See instruction 7 and definition of "redacted" on reverse side.)	s		
O NOT SEND ORIGINAL DOCUMENTS. ATTACHED DOCUMENTS MAY BE DESTROYED AFTER CANNING.		re subject to adjustment on every 3 years thereafter with	
If the documents are not available, please explain:	respect to cases commenced on or after the date of adjustment.		
Date: 7-27-/o Signature: The person filing this claim must sign it. Sign and print name and title, if any, of the cother person authorized to file this claim and state address and telephone number if different from address above. Attach copy of power of attorney, if any.		FOR COURT USE ONLY  TriDimension	

### ADDENDUM "A" TO THE PROOF OF CLAIM

The Debtor was and is a mineral lessee and/or operator by virtue of lease instruments from (and granted by) the Claimant (as a Co-Lessor) on a number of mineral leases on parts of a tract of land in Catahoula Parish, Louisiana (more particularly described as covering all, or portions of, T5N R6E, Sections 5, 6, 7, 8, 9, 17, 18, 19, 20, 21, 28, 29 and 30 and referred to herein as the "Missiana Tract"). Stated differently, at various times the Creditor, as a lessor with its Co-Lessors, executed oil, gas, and mineral leases covering tracts on the Missiana Tract (the "Leases").

The Debtor was obligated through these lease instruments in favor of the Creditor and its Co-Lessors, and/or through the operating agreements under the Mineral Leases through which the Debtor acted as operator, and/or by operation of Louisiana law, to conduct itself according to law and an underlying standard of reasonableness in carrying out mineral operations on the leased premises.

The Creditor and its Co-Lessors have been named as defendants in an action (the "Litigation") instituted by M. J. Farms, Ltd. in the 7th Judicial District Court for the Parish of Catahoula, State of Louisiana – litigation more particularly described as bearing Civil Action Number 24,055, Section "B" and as being entitled, "M. J. Farms, Ltd. v. Exxon Mobil Corporation et al." A copy of the petition filed in the Litigation is attached as part of this Addendum. Creditor has named the Debtor as a third party defendant in connection with the Litigation. A copy of the Third Party Demand of Debtor filed in the Litigation is attached as part of this Addendum. The Debtor has been identified through contractual transactions with or involving the Creditor and its Co-Lessors as being a mineral interest holder of and in, and/or an operator upon, the property made subject of the Lawsuit.

M. J. Farms, Ltd., ("M. J. Farms") alleges that it is the owner of 42,000 acres situated in Catahoula and Avoyelles Parishes in the State of Louisiana. It further alleges that different parties have owned three different mineral servitudes affecting differing geographic portions of such acreage. The acreage includes, but is not limited to, at least part of the Missiana Tract.

The Creditor has been made a defendant in the principal action by virtue of the allegation that it now owns or formerly did own an undivided interest in a mineral servitude on the Missiana Tract.

M. J. Farms has alleged that historic oil and gas exploration and production operations conducted on the Missiana Tract have caused surface, subsurface, and underground contamination to the property and to the sources of water on or beneath the property. The Creditor and its Co-Lessors have answered M. J. Farm's allegations and have denied any and all fault, wrongdoing, responsibility or liability for the allegations asserted. The Creditor and its Co-Lessors have vigorously defended against these allegations, and intend to continue to do so.

In any event, the Debtor, and/or its assigns, contractors, sub-contractors, and/or respective successors-in-interests conducted and/or are conducting exploration and production activities on the Missiana Tract.

Should it be determined through the Litigation that there exists any damage on or under the area covered by the Leases for which the Creditor has any responsibility to M. J. Farms (which is denied), the Creditor avers that such damage was caused by the act or omission of the Debtor, and/or its assigns, contractors, sub-contractors, and/or respective successors-in-interests. Should any such damage exist (which is denied), the Creditor avers in addition that such is due to the contractual and/or legal breaches of the Debtor in acts of commission or omission in carrying out mineral operations on the Leased Premises.

Moreover, should such damage exist to the Leased Premises such that remediation or other corrective action is required by law, regulatory edict or otherwise (the existence of such damage being denied), the Creditor avers that by law and by contract the Debtor is a responsible party for such obligations and is primarily responsible for ensuring compliance with same.

Finally, the Debtor is responsible by operation of law and/or by contract to protect, defend, indemnify and hold harmless the Creditor and its Co-Lessors. Such responsibility includes, but is not limited to, full indemnity of the Creditor for any loss, outlay, expense, remediation charge or penalty, costs of litigation, attorney's fees and interest associated with the operations of the Debtor and/or its assigns, contractors, sub-contractors, and/or successors-in-interests on the Leased Premises.

The Creditor has indicated a value of the claim in this Proof of Claim as \$50,000. The Creditor expressly reserves the right to supplement and amend this figure as future events warrant and/or as otherwise prescribed or allowed. This Proof of Claim is made with full reservation of, and without waiver of or prejudice to, all rights (including, but not limited to, all answers, causes, claims, defenses, remedies, etc.) with regard to the Litigation and/or the matters or issues raised therein.

### SEVENTH JUDICIAL DISTRICT COURT

PARISH OF CATAHOULA

STATE OF LOUISIANA

SUIT NO. 24755

DIVISION "A

M.J. FARMS, LTD

**VERSUS** 

EXXON MOBIL CORPORATION
TENSAS DELTA LAND COMPANY
MISSIANA, LLC
BENEDICT CORPORATION
L.W. WICKES AGENT CORPORATION
JMR OIL COMPANY, INC.
WAGNER OIL COMPANY

#### **PETITION FOR DAMAGES**

NOW INTO COURT, through undersigned counsel, comes plaintiffs, M.J. Farms who respectfully file this Petition for Damages, upon representing as follows:

#### **PARTIES**

1.

Plaintiff, M.J. Farms is a Texas limited partnership domiciled in Corpus Christi, Texas.

2.

Defendant, Exxon Mobil Corporation is a business corporation organized under the laws of New Jersey. Exxon Mobil Corporation is sued herein as the successor in mineral ownership interest from Humble Oil and Refining Corp which received its mineral ownership interest from Louisiana Delta Corporation.

3.

Defendant, Tensas Delta Land Company is a business corporation organized under the laws of Michigan.

A

Defendant, Missiana, LLC., is a limited partnership created and governed by pursuant to the laws of the State of California.

5.

Defendant, Benedict Corp., is a business corporation organized under the laws of

Nevada.

6.

Defendant, L.W. Wickes Agent Corp., is a business corporation organized under the laws of California.

7.

Defendant, JMR Oil Company, Inc., is a Delaware Corporation with its principal place of business in Jonesville, Louisiana.

8.

Wagner Oil Company, is a Texas Company with its principal place of business in Fort Worth, Texas.

### **JURISDICTION**

9.

This Court has the legal power to hear and determine this matter, pursuant to Louisiana Constitution Article V § 16. Furthermore, this Court has personal jurisdiction over the defendants named herein since they are subject to citation issued by this court and service of process, and because they are domiciled, present in, and/or doing business in the State of Louisiana.

### VENUE

10.

Venue is appropriate in this Court, because the nuisance, trespass, offenses, and/or quasi offenses and/or statutory offenses occurred in Catahoula Parish and Avoyelles Parish. The damages were sustained in Catahoula Parish and Avoyelles Parish, and the immovable property that is the subject of these proceedings is located in Catahoula Parish and Avoyelles Parish. L.S.A.-C.C.P. Articles 74,76.1 and 80.

### **GENERAL ALLEGATIONS**

11.

Plaintiffs, are the owners of certain immovable property located in Catahoula and Avoyelles Parish. This property consists of approximately 42,000 acres. Plaintiffs purchased this immovable property by deeds recorded November 1, 2005, at Conveyance Book 228, page 92, and recorded November 22, 2005, at Conveyance Book 229, page 55 of the records of Catahoula Parish, Louisiana, and recorded January 12, 2006, at

Conveyance Book 530, page 430 of the records of Avoyelles Parish, Louisiana said acquisitions being subject to various mineral reservations previously created and held by production to date.

12.

By mineral deed dated April 5, 1949, recorded May 2, 1949 at Oil and Gas Book 55-A page 61, of the records of Catahoula Parish, Louisiana Delta Corporation conveyed one-half of its mineral rights to defendant, Tensas Delta Land Company, said transfer covering a portion of the immovable property that is the subject of these proceedings. (Approximately 34,000 acres).

13.

Under deed dated September 24, 1958, recorded November 18, 1958, at Conveyance Book 70, page 321, of the records of Catahoula Parish, Louisiana Delta Corporation sold its ownership and reserved the remaining one-half full mineral ownership interest over the immovable property (approximately 34,000 as above described). Said mineral interests were later acquired by Humble Oil & Refining Corp, now Exxon Mobile Corporation.

14.

As to the approximately 34,000 acre tract, Exxon Mobil Corporation and Tensas

Delta Land Company each own half of the minerals.

15.

Under deed dated August 21, 1972, recorded at Conveyance Book 93, Page 312 of the records of Catahoula Parish, defendant Missiana, LLC., sold a portion of its surface ownership of a approximately 8,000 acre tract of land and reserved a mineral interest in a portion of the immovable property that is a subject of these proceedings.

16.

Under deed dated July 6 & 21, 1977, recorded at Conveyance Book 107, Page 766 of the records of Catahoula Parish, Louisiana, defendant, Missiana, LLC., again reserved a mineral interest in a portion of the immovable property that is a subject of these proceedings.

17.

Missiana, LLC. thereafter is the owner of 50% of the mineral interest in the aforesaid

8,000 acre tract of land.

18.

Under Exchange Deed dated October 10 & 24, 1972, recorded at Conveyance Book 94, Page 171, of the records of Catahoula Parish, defendant, L.W. Wickes Agent Corp., reserved a mineral interest in a portion of the 8,000 plus immovable acres above described and which is the subject of these proceedings.

19.

Under deed dated August 7, 1986, recorded at Conveyance Book 130, Page 416 of the records of Catahoula Parish, Louisiana, defendant, L.W. Wickes Agent Corporation, reserved a mineral interest in a portion of the 8,000 plus acres above described and which immovable property is subject to these proceedings.

20.

Under deed dated May 11, 1986 and May 20, 1986, recorded at Conveyance Book 136, Page 416 of the records of Catahoula Parish, Louisiana, defendant, L.W. Wickes Agent Corporation, reserved a mineral interest in a portion of 8,000 plus acres above described and which immovable property is subject to these proceedings.

21.

L. W. Wickes is therefore now the owner of 20.8% of the minerals in the aforesaid 8,000 plus tract.

22.

Under deed dated October 10 and 24, 1972 recorded at Conveyance Book 94, Page 171 of the records of Catahoula Parish, defendant, Benedict Corp., reserved a mineral interest in a portion of 8,000 plus acres above described and which immovable property is the subject of these proceedings.

23.

Under deed dated November 15, 1993, recorded at Conveyance Book 173, Page 508 of the records of Catahoula Parish, Louisiana, defendant, Benedict Corporation, reserved a mineral interest in a portion of the immovable property that is subject to these proceedings.

24.

Benedict Corporation is thereafter the owner of 29.2% of the minerals in the

aforesaid 8,000 plus acre tract.

25.

Except for a few isolated non-continuous tracts of small acreage, all of the above set out mineral interests have been maintained by oil and gas exploration and production activities. Under numerous oil, gas and mineral leases granted by the mineral interest owners, hundreds of oil and gas wells have been drilled and produced on the immovable property that is the subject of these proceedings.

26

These producing oil and gas wells have been assigned and transferred by various parties numerous times.

27.

Defendant, JMR Oil Company and Defendant Wagner Oil Company are presently operating various oil and gas wells developed by the defendants who own the mineral interests in the immovable property that is the subject of these proceedings.

28.

Although many of these oil, gas and mineral leases and their attendant rights and obligations may have been assigned and reassigned either wholly or partially to various parties from time to time, the mineral owners have been the same since the dates above described.

29.

The defendants and/or their lessees and assigns on their behalf have at various times conducted oil and gas operations on the plaintiffs properties. These operations have included the drilling of wells, the creation of pits for disposing of materials during drilling, operation of the wells, and the erection of equipment, tanks, pipes, flow lines and concrete pads. The operations have also included the work over and renovation of wells. Numerous wells have been plugged and abandoned and otherwise declared to be dry holes and abandoned, but there are active producing wells, active injection wells, shut in productive wells with future utility, shut in dry holes but future utility wells and others located on the property as shown by reference to the records of the Louisiana Department of Natural Resource Office of Conservation Records.

In the process of conducting oil and gas exploration and production activities on the aforesaid property, the defendants have caused and continue to cause the land surface and the ground beneath the surface to be contaminated, polluted and impregnated with oils, grease, naturally occurring radioactive materials (NORMS), and other hazardous and dangerous chemicals, equipment, pipes, tanks and related appurtenances used and/or generated during the oil and gas exploration and production activities that the defendants and/or their mineral lessees and assigns conducted on the property pursuant to the aforesaid various mineral reservations. Norm contains, *inter alia*, Radium, which is a very hazardous and toxic substance. Though these substances are "naturally occurring" at the depths at which oil and gas are produced; their presence on the surface can cause serious health related problems. Under Louisiana law, property contaminated with NORM cannot be transferred for unrestricted use. The above condition needs to be remediated and the land restored to its original condition.

31.

In connection with their conducting oil and gas exploration and other production activities or otherwise on the aforesaid property, defendants and their lessees acting on defendants' behalf have, through the use of injection wells to collect their deposits of oil, sludge, saltwater and various and sundry other contaminants and pollutants, caused the associated usable ground water and/or aquifer to be threatened, impacted, contaminated, polluted and/or become environmentally unsafe. The defendants actions above set forth, continue to date and said actions it is alleged, fractured, the fresh water underground aquifers, causing the same to become contaminated with salt water and/or other contamination which are hazardous and toxic. The aforesaid trespass and nuisance need remediation and need to be abated.

32.

The oil exploration and production produced water is a hazardous brew of various hydrocarbon compounds, metal, salt and radioactive substances. Studies of the chemical constituents of such Louisiana produced water have revealed that the produced water discharges contain excess amounts of salt, and also contain volatile hydrocarbon compounds (including bensene, toluene, xylene and ethyl bensene), Polynuclear Aromatic

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Hydrocarbons (PAHs or semi-volatiles) (including naphthalene, flourene and phenanthrene), toxic heavy metals (including chromium, lead, mercury, arsenic, barium and zinc) and radium225 and radium 226. All of these substances bioaccumulate and are acutely toxic to aquatic organisms at varying concentrations. Some of these substances (such as benzene and radium 225) have long been identified as human carcinogens.

33

The defendants and/or their mineral lessees and assigns have created a nuisance and/or trespass to the property of plaintiff by also having abandoned oil and gas exploration and production equipment and structures on the property which has been left to deteriorate without there being any intention to remove the same and/or restore the property.

34.

The defendants and/or their mineral lessees and assigns, acting on their behalf, have abandoned open oil and gas wells without plugging said wells, or properly plugging said wells, as required by prudent oil field practices and required by Louisiana Law.

35.

Since the defendants acquistion of the ownership of the mineral servitudes above set forth said defendant servitude owners have issued various leases to others on their behalf. The defendants have known that the disposal of oilfield waste in unlined earthen pits inevitably results in seepage, which contamination both surface and subsurface soils and waters. Plaintiff has suffered damages resulting from the improper disposal of oilfield wastes in unlined earthen pits, which were constructed by the Defendants on or near the property during the course of oil and gas exploration and production activities. The oilfield wastes deposited in these pits include (but are not limited to) such substances as naturally occurring radioactive material ("NORM"), produced water, drilling fluids, chlorides, hydrocarbon, and heavy metals. Also, leaks, spills, and other discharges of these substances from wells, pipelines, tank batteries, gas plants, and other equipment have further polluted Plaintiffs property. And the same needs to be rebated and the property restored to its original condition.

## CAUSE OF ACTION CLAIM FOR DAMAGES FOR NEGLIGENCE AND STRICT LIABILITY

36.

Plaintiffs reallege those allegations set in paragraphs 1 through 35 above.

37.

The defendant and/or their lessees and assigns have acted negligently in their operations of the oil and gas exploration and production activities on the property and have caused damages to the property of plaintiff in the process.

38.

The damages include but are not limited to, crop damage, contamination of soil with naturally occurring radioactive materials, oil, greases, salt or chlorides, and other hazardous and toxic chemicals used or produced during oil and gas exploration and production activities. The damages also include the contamination of the surface of the property and ground waters on and beneath the property. Drilling fluids are also highly toxic and hazardous. These fluids contain metals such as chromium, barium, and arsenic, as well as oil and other hydrocarbon fractions. Drilling fluids also contain toxic additives such as bacterioides, slimioides, and acids. Further, drilling fluids have been demostrated to be acutely toxic to aquatic organisms. Other toxic and hazardous materials used and/or produced in their day to day exploration and production activities include among others not listed mercury, lead based compounds, caustic sodas and coriniza materials.

39.

The defendants are liable unto plaintiff for the damages that have been caused by their negligent conduct and/or the negligent conduct of their lessees and assigns in the operation of the oil and gas exploration and productions activities is violation of L.S.A. - C.C. 2315. At no time did Defendants issue any warning to Plaintiff that their disposal and discharge activities were hazardous to persons and property. Instead, Defendants actively concealed from Plaintiff the toxic and hazardous nature of the wastes deposited on Plaintiff's land.

40.

Defendants and/or their lessees and assigns have also failed to act as reasonably prudent operators, as required by the Louisiana Mineral Code and have acted unreasonably and excessively with regard to their activities, all in violation of the Louisiana

Mineral Code. Defendants are liable unto plaintiffs for the damages, plaintiffs have sustained as a result of the defendants violation of the law.

41

Defendants are strictly liable to Plaintiff under La. Civ. Code art. 667 for the damages caused by their storage, discharge, and disposal of toxic and hazardous oil field waste on or adjacent to Plaintiff's property. Furthermore, Defendants are strictly liable to Plaintiff under the provisions of La. Civ. Code arts. 2317 and 2322.

42.

Defendants' conduct of their oil and gas exploration and production activities and the associated discharge, disposal or storage of oil field waste on Plaintiff's property have created a continuing and ongoing and damaging nuisance to Plaintiff and Plaintiff's property. Further, the continued presence of oilfield wastes on the Plaintiff's lands constitutes a continuing trespass. The continuous and ongoing migration of this oilfield waste us causing new and ever increasing damage to Plaintiff's property and such damage will continue until such time as these wastes are removed and remediated. This negligent conduct and the resulting damages are continuous and continuing and constitutes a continuing tort.

# CAUSE OF ACTION CLAIM FOR DAMAGES FOR BREACH CONTRACT AND FOR STATUTORY OBLIGATIONS VIOLATION

43.

Plaintiff realleges those allegations set forth in paragraphs 1 through 42 above.

44.

The defendants have breached the terms of the agreements and contracts containing the various mineral reservations as above described and the terms the various oil, gas and mineral leases, assignments, and other agreements executed by the defendants and their lessees and assigns by failing to restore the property.

45.

The defendants and their mineral lessees and assigns have breached the provisions of the agreements where their mineral rights were obtained and the terms of the various mineral leases, assignments and other agreements executed by defendants by causing damages to the property burdened by their mineral reservations.

The defendants have breached the terms of the agreements under which their mineral reservations are derived and the mineral leases, assignments and other agreements in bad faith.

47.

Defendants have violated the statutory obligations imposed upon them by L.S.A.-R.S. 31:22 by their intentional, careless, wanton, reckless and unreasonable actions and failure to act by restoring as far as practicable the property of plaintiff to its original condition at the earliest reasonable time.

48.

Defendants have a contractual obligation under the applicable oil, gas, and mineral leases, and under La. Civ. Code arts. 2683, 2682, and 2692, to restore Plaintiff's property to its original condition. Defendants have failed to satisfy this obligation. Plaintiff's property has been impacted by each defendant's use of said property under the applicable leases, and such property has not been restored to its original condition. The Defendants are liable to Plaintiff for foreseeable and consequential damages occasioned by their failure to perform, as well as the cost of these proceedings and reasonable attorneys' fees.

49.

Defendants are liable unto plaintiff for all damages it has sustained as a result of the breach of these agreements as is set forth herein.

# CAUSE OF ACTION CLAIM FOR RESTORATION UNDER MINERAL CODE

50.

Plaintiff realleges those allegations set forth in paragraphs 1 through 49 above.

51.

The Louisiana Mineral Code Imposes upon the mineral owners and operators of oil and gas exploration and productions activities the burden to restore the premises. Defendants' conduct as described above constitutes a breach of the oil, gas, and mineral leases that covered the oil and gas activities described above. Further, each defendant and/or it's assignment and/or mineral leases has breached those standards imposed by the Louisiana Mineral Code governing the conduct of prudent operators.

Defendants have failed to restore the surface of the premises where oil and gas exploration and production activities took place to its original condition at the earliest reasonable time.

**53**.

Each Defendant and/or their assignees and/or lessees have also breached those standards imposed by the Louisiana Civil Code and the Louisiana Mineral Code governing the conduct of prudent operators. The lease provisions of the Louisiana Civil Code and the Louisiana Mineral Code require Defendants to use Plaintiff's property as a prudent administrator and to restore Plaintiff's property to its original condition. Defendants have failed to act as prudent administrators, have failed to restore Plaintiff's property to its original condition, and have failed to discharge their obligations under the Civil Code and the Mineral Code. As a result, Plaintiff has suffered damages and is entitled to all remedies allowed under the Civil Code and Mineral Code.

54.

Defendants are therefore, liable unto plaintiffs for all damages that plaintiff has sustained as a result of their failure to restore the premises and to remediate all contamination and/or pollutants which have impacted and/or will threaten the ground water and/or aquifer.

55.

Defendants are also indebted unto plaintiff to perform a proper and adequate restoration of the property.

### CAUSE OF ACTION CLAIM FOR EXEMPLARY DAMAGES

56.

Plaintiff realleges those allegations in paragraphs 1 through 55 above.

57

Defendants and/or their mineral lessees and assigns have during the oil and gas exploration and production activities handled, stored and transported hazardous and toxic substances, and have done so in a wanton and reckless manner, all of which have created an environmental hazard.

Plaintiff has been damaged as a result of the defendants and/or their mineral lessees and assigns wanton and reckless handling of the toxic and hazardous substances and creating an environmental hazard and therefore, defendants are liable unto plaintiff for exemplary damages pursuant to L.S.A.-C.C. Article 2315.3. Plaintiff contends, although repeated, that Article 2315.3 is viable for the claims asserted herein.

### CAUSE OF ACTION CLAIM FOR DAMAGES FOR TRESPASS

59.

Plaintiff realleges those allegations in paragraphs 1 through 58 above.

60.

Defendants and/or their lessees and assigns have committed a nuisance and/or trespass on plaintiff's property by, among other things, using more of the property than was or is necessary to conduct oil and gas exploration and production activities and by allowing toxic and hazardous substances to migrate form the production facilities.

61

Defendants are liable unto plaintiff for all damages caused by them and/or their lessees and assigns in the commission of a trespass or trespasses unto plaintiff's property, and the same needs to be abated.

### **DAMAGES CLAIMED**

62.

Defendants have been unjustly enriched by their unauthorized use of Plaintiff's lands to store and dispose of toxic contamination. Further, for an undetermined length of time, the Defendants have stored toxic pollution and waste in the groundwaters and soils underlying the Plaintiff's lands. Defendants have derived substantial economic benefits from this storage in that their use of the subsurface of the Plaintiff's lands has allowed them to avoid the substantial costs and expenses associated with the proper disposal of this toxic pollution and waste. Thus, Plaintiff is entitled to the civil fruits derived from Defendants' trespass, for La. Civ. Code art. 486 provides that a possessor in bad faith is liable for the "fruits he has gathered or their value subject to his claim for reimbursement of expenses."

All damages above referenced in this petition, including without limitation, clean up costs, purification costs, loss of income due to crop losses, remediation costs and restoration costs herein claimed which, shall include and not be limited to the costs of testing, containment, prevention, abatement, remediation and/or restoration of all property damaged as above described. All claims for damages due to the trespass, nuisance, and exemplary damages are hereby reiterated.

64.

Plaintiff further claims that it is entitled to recover attorney fees, etc. pursuant to L.S.A.-R.S. 30:2015.1F(1) regarding damages to the usable ground water and/or aquifer.

#### **PRAYER**

WHEREFORE, after due proceedings be had, plaintiff, M.J. Farms, respectfully prays for judgment in its favor and against the defendants, Exxon Mobil Corporation, Tensas Delta Land Company, Missiana, LLC., Benedict Corp., L.W. Wickes Agent Corp., JMR Oil Company, Inc., and Wagner Oil Company, jointly, severally and in solido, for all damages sustained as a result of the defendants and/or their lessees and assigns acts, omissions, fault, and/or liability and awarding plaintiff damages as set forth in this petition in a sum to adequately compensate Plaintiffs therefore, including reasonable attorney fees when allowed by law and exemplary damages, as well as legal interest form the date of judicial demand and all cost of these proceedings.

Plaintiff further prays, for all other such relief as the law, equity and nature of the case may allow.

Respectfully Submitted,

DAVIDSON, MEAUX, SONNIER & McELLIGOTT

BY:

JAMES & DAVIDSON, III

Ber Roll No. 4708

P.O. Drawer 2908

Lafayette, LA 70502-2908 Telephone (337) 237-1660

Facsimile (337) 237-3676

SMITH, TALIAFEBRO & BURVIS

RUSSELL PURYS Bar Roll No. 10909

P.O. Box 298 / 407 Mound Street Jonesville, Louisiana 71343 Telephone 318-339-8526 Facsimile 318-339-8528

ATTORNEYS FOR PLAINTIFF

### PLEASE SERVE:

EXXON MOBIL CORPORATION Corporation Service Company 320 Somerulos Street Baton Rouge, Louisiana 70802-6129

TENSAS DELTA LAND COMPANY James E. Devan & Wilbur A. Hirsch 333 Texas Street, Suite 2020 Shreveport, Louisiana 71101

MISSIANA LLC CT Corporation System 8550 United Plaza Blvd. Baton Rouge, Louisiana 70809

L.W. WICKES AGENT CORP. CT Corporation System 8550 United Plaza Blvd. Baton Rouge, Louisiana 70809

JMR OIL COMPANY, INC. Jack M Ryan 286 Hardie Road Jonesville, Louisiana 71343

WAGNER OIL COMPANY CT Corporation System 8550 United Plaza Blvd. Baton Rouge, Louisiana 70809

BENEDICT CORPORATION CT Corporation System 8550 United Plaza Blvd. Baton Rouge, Louisiana 70809

CLERK OF COURT

SEVENTH JUDICIAL DISTRICT COURT

PARISH OF CATAHOULA

STATE OF LOUISIANA

SUIT NO. 24, 055

DIVISION "A"

M.J. FARMS, LTD

**VERSUS** 

EXXON MOBIL CORPORATION
TENSAS DELTA LAND COMPANY
MISSIANA LTD
BENDICT CORPORATION
L.W. WICKES AGENT CORPORATION
JMR OIL COMPANY, INC.
WAGNER OIL COMPANY

#### **VERIFICATION AFFIDAVIT**

Before me, a dully commissioned and qualified notary public in and for the Parish of Catahoula, State of Louisiana, personally came and appeared M.J. Farms, LTD, herein represented by Ronald D. Johnson, who, being duly sworn by me, did depose and state that the allegations of fact in the foregoing Petition for Damages are true and correct to the best of his knowledge, information and belief.

Sworn to and subscribed before me, Notary, on this the

day

Louisiana.

NOTARYPUBLIC

V. RUSSELL PURVIS
NOTARY PUBLIC # 10909
STATE OF LOUISIANA
CATAHOULA PARISH
My Commission Expires with Life.

TRUE COPY

CLERK OF COURT

M. J. FARMS, LTD.

7TH JUDICIAL DISTRICT COURT

VS.

DOCKET NO. 24,055-B, DIV "A"

EXXON MOBIL CORP., ET. AL.

CATAHOULA PARISH, LOUISIANA

### THIRD-PARTY DEMAND OF MISSIANA, L.L.C.

The Third-Party Demand of Missiana, L.L.C., ("Missiana") respectfully represents:

1.

The following entities are named as defendants to the Third Party Demand of Missiana:

- A. Abco Petroleum Corporation, a Louisiana corporation whose registered office is located in Bossier Parish, and who may be served through its agent for service of process, Robert R. Adley, 611 Jessie Jones Drive, Benton, LA 71006
- B. Ambrit Energy Corp., a foreign corporation, which is qualified or was qualified to do business in this state whose principal business establishment in this state is in Orleans Parish, and who may be served through its agent for service of process, Ambrit Energy Corp., 8080 North Central Expressway, Dallas, TX 75206
- C. Castle Exploration Company, Inc., a foreign corporation which is qualified or was qualified to do business in this state, whose principal establishment in this state is in East Baton Rouge Parish, and who may be served at One Radnor Corporate Center, Suite 250, 100 Matsonford Road, Radnor, PA 19087
- D. Davis & Kaiser Operating, Inc., a foreign corporation which is qualified or was qualified to do business in this state whose principal business establishment in this state is in Concordia Parish, and who may be served through its agent for service of process, Davis & Kaiser Operating, Inc., P. O. Box 514, Natchez, MS 39121
- E. Domestic Oil Producers, Inc., a Louisiana corporation whose registered office is located in Caddo Parish, and who may be served through its agent for service of process, Mark F. Preddy, 333 Southfield Road, Shreveport, LA 71105
- F. Gravtro, Inc., a foreign corporation which is qualified or was qualified to do business in this state whose principal establishment in this state 601 Poydras Street, New Orleans, LA 70130
- G. Guernsey Petroleum Corporation, a Louisiana corporation whose registered office is in East Baton Rouge Parish, and who may be served through its agent for service of process, C T Corporation System, 8550 United Plaza Blvd., Baton Rouge, LA 70809
- H. Hughes & Hughes, a foreign partnership which is qualified or was qualified to do business in this state whose principal establishment in this state is Orleans Parish, and who may be served through its agent for service of process, C T Corporation System, 8550 United Plaza Blvd., Baton Rouge, LA 70809
- I. Hughes-Denny Offshore Exploration, Inc., a foreign corporation who is qualified or was qualified to do business in this state whose principal establishment in this state is in Orleans Parish, and who may be served through its agent for service of process, C T Corporation System, 601 Poydras Street, New Orleans, LA 70130

- J. Louisiana Fuel Oil Corporation, a Louisiana corporation whose registered office is in Caddo Parish, and who may be served through its agent for service of process, Jean M. Robicheaux, 252 Pierremont Road, Shreveport, LA 71105,
- K. New & Hughes Drilling Company, a foreign corporation who is qualified or was qualified to do business in this state whose principal establishment in this state is in Concordia Parish, and who may be served through its agent for service of process, 200 Advocate Row, Ste. B, Vidalia, LA 71373
- L. Newmont Oil Company, a foreign corporation who is qualified or was qualified to do business in this state whose principal establishment in this state is in Orleans Parish, and who may be served through its agent for service of process, Newmont Oil Company, 150 East 42 Street, New York, NY 10017
- M. RBI, Inc., a foreign corporation who is qualified or was qualified to do business in this state whose principal establishment in this state is in Richland Parish, and who may be served through its agent for service of process, Carlos D. Ingram, Route 5, Box 148, Rayville, LA 71269
- N. Tensas Delta Land Company, a foreign corporation who is qualified or was qualified to do business in this state whose principal establishment is 615 Griswold Street, Grand Rapids, MI 48226
- O. Tidewater Oil Programs, Inc., a foreign corporation who is qualified or was qualified to do business in this state whose principal establishment in this state is in Orleans Parish, and who may be served through its agent for service of process, Tideway Oil Programs, Inc., P. O. Box 92, Jackson, MS 39205
- P. Owl Creek Production Co., Inc., a foreign corporation which is qualified or was qualified to do business in this state, whose principal establishment in this state is in East Baton Rouge Parish, and who may be served through its agent for service of process, Owl Creek Production Company, Inc., 1050 17<sup>th</sup> St., Ste. 975, Denver, CO 80265
- Q. Great West Energy and Exploration, Inc., a foreign corporation which is qualified or was qualified to do business in this state, whose principal establishment in this state is 330 Broad Street, Lake Charles, LA 70601
- R. Romaxsco Exploration Co, Inc., a Louisiana corporation whose registered office is in Orleans Parish, and who may be served through its agent for service of process, Jack E. Koch, 150 Baronne, Suite 1006, New Orleans, LA 70112
- Terratherm Company, a foreign corporation which is qualified or was qualified to do business in this state, whose principal establishment is 309 Mimosa Drive, P.
   O. Box 1714, El Dorado, AR 71730
- T. Axis Onshore, LP, a foreign limited partnership qualified to and doing business in this state whose principal business establishment in this state is in East Baton Rouge Parish and who may be served through TDE Subsidiary GP LLC, 200 Crescent Court, Ste. 1600, Dallas, TX 75201.
- U. D & D Exploration Company, a Louisiana partnership whose registered office is in Concordia Parish, and who may be served through Donald R. Horton, Horton Lane, Ferriday, LA 71334.

- Dale Exploration Co., a Louisiana corporation whose registered office is in Concordia Parish, and who may be served through its agent for service of process,
   J. W. Seibert, III, A Prof. Law Corporation, 307 Texas St., Vidalia, LA 71373
- W. David New Operating Co., Inc., a foreign corporation qualified to and doing business in this state, and who may be served through its agent for service of process, Jack H. McLemore, Jr., 200 Advocate Row, Suite B, Vidalia, LA 71373
- X. Delta Petroleum Corporation of Colorado, a foreign corporation qualified to and doing business in this state whose principal business establishment in this state is in East Baton Rouge Parish, and who may be served through its agent for service of process, C T Corporation System, 5615 Corporate Blvd., Ste. 400B, Baton Rouge, LA 70808
- Y. Four Rivers Exploration, Inc., a Louisiana corporation whose registered office is in Catahoula Parish, and who may be served through its agent for service of process, C. Bret Beard, 443 Achilles Rd., Jonesville, LA 71343
- Z. Fun Investments, L.L.C., a limited liability company whose registered office is in Catahoula Parish, and who may be served through its agent for service of process, Emad Khalaf, 206 Judson Ln., Jonesville, LA 71343
- AA. Guido Energy Company, a foreign partnership qualified to and doing business in this state whose principal establishment in this state is in Concordia Parish, and who may be served through its agent for service of process, Pansy M. Jolly, Fishermans Dr., POB 35, Vidalia, LA 71373
- BB. Hughes Eastern Petroleum, Ltd., a foreign partnership qualified to and doing business in this state whose principal business establishment in this state is in Orleans Parish, and who may be served through its agent for service of process, CT Corporation System, 5615 Corporate Blvd., Ste. 400B, Baton Rouge, LA 70808
- CC. JMR Oil, Inc., a foreign corporation qualified to and doing business in this state whose principal business establishment in this state is in Catahoula Parish, who may be served through its agent for service of process, Jack M. Ryan, 286 Hardie Rd., Jonesville, LA 71343
- DD. Mass Resources, Inc., a Louisiana corporation whose registered office is in Catahoula Parish, who may be served through its agent for service of process, Victoria Ganey, 407 Mound St., Jonesville, LA 71343
- EE. Meason Operating Company, a foreign corporation qualified to and doing business in this state whose principal business establishment in this state is in Concordia Parish, and who may be served through its agent for service of process, Kimberly R. Dallalio, 2042 Viking St., Vidalia, LA 71373
- FF. Munoco Company, a foreign partnership qualified to and doing business in this state whose principal business establishment in this state is in Caddo Parish, and who may be served through its agent for service of process, John Hoychick, Jr., 307 Madeline Street, Rayville, LA 71269
- GG. Pilot Resources, Inc., a Louisiana corporation whose registered office is in St. Tammany Parish, and who may be served through its agent for service of process, David Rusch, 1305 West Causeway Appr., Suite 213, Mandeville, LA 70471

- Wilcox Operating Corporation, a Louisiana corporation whose registered office is in Caddo Parish, and who may be served through its agent for service of process, Betty C. Williams, 5220 Hollywood Ave., Shreveport, LA 71109
- II. Radzewicz Exploration and Drilling Corporation, a foreign corporation qualified to and doing business in this state whose principal business establishment in this state is in East Baton Rouge Parish, and who may be served through its agent for service of process, C T Corporation System, 5615 Corporate Blvd., Suite 4008, Baton Rouge, LA 70808.
- JJ. Phoenix Energy, Inc., a Louisiana corporation whose registered office is in Caddo Parish, and who may be served through its agent, John M. Frazier, 504 Texas Street, Suite 404, Shreveport, LA 71162.

(the "Third-Party Defendants").

2.

The plaintiff in the principal demand, M. J. Farms, Ltd., ("M. J. Farms") alleges that it is the owner of 42,000 acres situated in Catahoula and Avoyelles Parishes. It further alleges that different parties have owned three different mineral servitudes affecting differing geographic portions of such acreage. To date, there exists no allegation in the original petition or amendments thereof concerning which acres within these two parishes are subject to which of the three servitudes. However, attached to Petitioner's recent Motion to Sever were Exhibits A and B, plats in which Petitioner purports to depict such acreage, color-coded differently to distinguish the geographic extent of three separate mineral servitudes.

3.

Missiana has been made a defendant in the principal action by virtue of the allegation that it now or formerly owned an undivided interest in a mineral servitude on the Subject Property. At various times, Missiana, as a lessor, has executed separate oil, gas, and mineral leases covering tracts on the Subject Property (the "Leases").

4.

M. J. Farms has alleged that historic oil and gas exploration and production operations conducted on the property at issue in this case have caused the surface, subsurface, and underground sources of water at or beneath this property to be contaminated with various substances.

After a hearing conducted in February 2009, the court granted the M. J. Farms's Motion to Sever this case into three trials based on the geographic extent of each such mineral servitude.

6.

The portion of the acreage upon which it is alleged that Missiana has a mineral servitude is depicted on Exhibit A to M. J. Farms's Motion to Sever in blue (the "Subject Tract"). As of the filing of this Third-Party Demand, no trial date has been set for the claims regarding the Subject Tract.

7.

On information and belief, the third-party defendants and/or their assigns, contractors, sub-contractors, and/or respective successors-in-interests conducted and are conducting exploration and production activities on the Subject Property.

8

In the alternative and only if it is determined that there exists any damage for which Missiana has any responsibility to M. J. Farms, which is denied, and that such damage was caused by the act or omission of any Third-Party Defendant or other person who conducted operations on or adjacent to the Subject Property, which is also denied, pursuant to obligations created by the Leases, or if any other basis of recovery in favor of M.J. Farms is established arising from the acts or omissions of the Third-Party Defendants, whether individually or in concert with any other person, then, pursuant to the Leases, the Louisiana Civil Code, the Louisiana Mineral Code, and other applicable laws, the Third-Party Defendant whose conduct caused the damage or recovery owes defense and indemnity and/or contribution to Missiana for any and all such responsibility.

WHEREFORE, Missiana, L.L.C. prays that, after due proceedings are had, that there be judgment in favor of Missiana, L.L.C. and against plaintiff M.J. Farms, Ltd., dismissing M.J. Farms Ltd.'s Petition at its costs. Alternatively, and only in the event that this Court finds Missiana, L.L.C. liable in any manner and in any amount to M.J. Farms, Ltd., then Missiana, L.L.C. prays for judgment in its favor against each of the Third Party Defendants named herein

to the extent they were or are responsible, plus all costs of litigation, including but not limited to, attorney's fees and all costs of court. Missiana, L.L.C. further prays for all general and equitable relief.

Respectfully submitted:

MANGHAM & ASSOCIATES, L.L.C 406 Audubon Blvd., Suite A Lafayette, Louisiana 70503 Telephone: 337.233.6200

Michael R. Mangham (#9006) James E. Diaz, Sr. (#4926) Donald J. Ethridge (#26025)

COUNSEL FOR MISSIANA, L.L.C.

#### **Certificate of Service**

I HEREBY CERTIFY that a true and correct copy of the above and foregoing has been forwarded to all known counsel of record this date by:

U.S. Mail, postage prepaid, or

□ Facsimile transmission to the number(s) designated therefor.

Lafayette, Louisiana, this 12th Jone , 2008.

### Northern District of Texas Claims Register

10-33569-sgj11 Axis Onshore, LP

Judge: Stacey G. Jernigan Chapter: 11

Office: Dallas Last Date to file claims: 07/28/2010

Trustee: Last Date to file (Govt):

Claim No: 52 Status: Creditor: (13409398)Original Filed Filed by: CR Missiana, L.L.C. Entered by: Zisk, B Date: 07/28/2010 care of Donald J. Ethridge, Modified: Original Entered Date: 07/28/2010 Mangham & Associates, L.L.Č. 406 Audubon Blvd., Suite A Lafayette, LA 70503 Unsecured claimed: \$50000.00 claimed: \$50000.00 **Total** History:  $\underline{52-1}$  07/28/2010 Claim #52 filed by Missiana, L.L.C., total amount claimed: \$50000 (Zisk, B) **Details** Description: Remarks:

### **Claims Register Summary**

Case Name: Axis Onshore, LP Case Number: 10-33569-sgj11

Chapter: 11
Date Filed: 05/21/2010
Total Number Of Claims: 1

	Total Amount Claimed	Total Amount Allowed		
Unsecured	\$50000.00			
Secured				
Priority				
Unknown				
Administrative				
Total	\$50000.00	\$0.00		