

18TH JUDICIAL DISTRICT COURT FOR THE PARISH OF WEST BATON ROUGE

STATE OF LOUISIANA

DOCKET NO. 45335

DIVISION B

PAUL M. LEVERT, ET AL.

VERSUS

UNION TEXAS INTERNATIONAL CORPORATION, ET AL.

DEFENDANTS' JOINT LIMITED ADMISSION PURSUANT TO LA. R.S. 30:29

Defendants, Chevron U.S.A. Inc. ("Chevron") and Key Production Company, Inc. ("Key") (collectively, "Defendants"), jointly make the following limited admission pursuant to Louisiana Revised Statute §30:29 ("Act 312"):

1. On November 18, 1950 Julia Levert Maguire, *et al.*, granted an Oil, Gas, and Mineral Lease to Temple Hargrove (the "1950 Mineral Lease") to conduct oil and gas operations on the Plaintiffs' property at issue in this lawsuit comprising approximately 160 acres in the Bayou Choctaw Field (the "Property").

2. Through a series of assignments in 1957 and 1958, Chevron's predecessor, British-American Oil Producing Company ("British-American"), acquired 100% interest in the 1950 Mineral Lease in the 40-acre tract comprising the southwest quarter of the Property and a 75% interest in the remaining 120 acres of the Property by January 1958.

3. On July 28, 1966, British-American assigned all its remaining interest in the 1950 Mineral Lease to Chevron's predecessor, Gulf Oil Corporation ("Gulf").

4. Between 1957 and 1972, Chevron's predecessors (a) operated one single completion well, the Levert Heirs #1 (serial number 44428); (b) drilled and operated two dual completion wells, the Levert Heirs B #1/#1D (serial numbers 68122/76522) and the Levert Heirs C #1/#1D (serial numbers 69635/70947); and (c) drilled one dry hole, the Levert Heirs D #1 (serial number 73467).

5. On October 5, 1972, Gulf assigned all its remaining interest in the 1950 Mineral Lease to Key's predecessor, Precise Exploration Corporation ("Precise"). In 1972, Precise became operator

of all the Chevron-related wells except for the Levert Heirs #1, which was plugged and abandoned (“P&A’d”) in 1966.

6. Key’s predecessor’s Precise and Brock Exploration Corporation (“Brock”) operated the Levert Heirs B #1/#1D wellbore. The producing zone for the Levert Heirs B #1 (serial number 68122) was P&A’d in 1961, more than a decade before Precise was assigned its interest in the 1950 Mineral Lease. The Levert Heirs B #1D (serial number 76522) produced from October 1959 through November 1961, and August 1966 until July 1977. This well was operated first by Precise and subsequently by Brock between approximately November 1972 until approximately December 1978. This well was converted to saltwater disposal (“SWD”) in or around 1981 and remains an active brine disposal well.

7. Precise and Brock operated the Levert Heirs C #1/#1D wellbore. The Levert Heirs C #1 (serial number 69635) well was temporarily abandoned by Gulf in May 1971, prior to the assignment of the 1950 Mineral Lease to Precise. The Levert Heirs C#1/#1D wellbore was permanently P&A’d in July 1974. Brock assigned its interest in the 1950 Mineral Lease to Bible-Goldman in 1978.

8. Plaintiffs filed this lawsuit on July 19, 2019, claiming that Chevron’s and other defendants’ operations caused “environmental damage” on the Property.

ACT 312

9. The Louisiana Legislature enacted Act 312 “to ensure that damage to the environment is remediated to a standard that protects the public interest” and to provide “the procedure for judicial resolution of claims for environmental damage[.]” La. R.S. § 30.29(A). Consequently, Act 312 allows responsible parties, plaintiffs, and/or any other party to present scientific and technical data in a public evidentiary hearing to a panel of technical experts employed by the Louisiana Department of Energy and Natural Resources’ Office of Conservation (“Conservation”). Under Act 312, Conservation can develop a plan to evaluate whether “environmental damage” poses a risk to human health and the environment if it deems that remedy to be the most feasible plan as defined in Revised Statute § 30:29(I)(4). *Id.* § 30.29(C)(2)(a). Under Act 312, Conservation can

also develop a plan to remediate “environmental damage” if it deems that remedy to be the most feasible plan as defined in Revised Statute § 30:29(I)(4). *Id.*

10. To achieve this goal, Act 312 changes the remedy available to plaintiffs to one of specific performance to ensure environmental damage is actually addressed. Under Act 312, plaintiffs no longer receive certain monetary damages “awarded for the evaluation or remediation of environmental damage” to a standard that protects the public interest. *Id.* § 30:29(D)(1). Instead, those funds are deposited into the registry of the court to fund the implementation of the “most feasible plan” for evaluation and if, necessary, remediation under the oversight of the Court and Conservation. *Id.* § 30:29(C)(5), (F). If the amount of funds deposited in the registry is insufficient to complete the evaluation or remediation, “the court shall . . . order the [responsible party] to deposit additional funds.” *Id.* § 30:29(D)(4). Thus, through this framework, Act 312 guarantees that the environmental damage is evaluated and, if necessary, remediated, to a standard that protects the public interest regardless of cost. Act 312 also guarantees that money earmarked for implementation of the most feasible plan is actually used for that purpose – and not diverted for other uses.

11. Act 312 broadly defines “environmental damage” as “any actual or potential impact, damage, or injury to environmental media caused by contamination resulting from activities associated with oilfield sites or exploration and production sites.” La. R.S. §30:29 (I)(2).

12. When plaintiffs allege “environmental damage” in a lawsuit, defendants may make a limited admission under Act 312 for the environmental damage and thus take “responsibility for implementing the most feasible plan to evaluate, and if necessary, remediate all or a portion of the contamination” to applicable regulatory standards. La. Code Civ. Proc. Ann. art 1563(A).

13. When defendants make a limited admission, Conservation shall hold a public hearing to approve or structure what Conservation determines to be the “most feasible plan” to evaluate, and if necessary, remediate the environmental damage under applicable regulatory standards in order to protect the environment, public health, safety, and welfare. La. R.S. § 30:29(C)(2).

14. There is a presumption that the plan structured by Conservation is the “most feasible plan,” and the Court must adopt Conservation’s plan unless a party proves by a preponderance of the

evidence that another plan is “more feasible.” *Id.* § 30:29(C)(2)(c), (C)(5). Defendants who make a limited admission must perform the evaluation or remediation required by the most feasible plan, regardless of cost. *Id.* § 30.29(D)(4).

15. Defendants wish to ensure that the natural resources and the environment are protected, conserved, and replenished, and Defendants believe that the relevant state agencies with decades of experience regulating oil and gas operations, including Conservation and the Louisiana Department of Environmental Quality, are in the best position to structure a plan to evaluate and, if necessary, remediate any environmental damage on Plaintiffs’ property to a standard that protects the health, safety and welfare of the public. To that end, Defendants make the following limited admission:

LIMITED ADMISSION

16. Defendants admit that “environmental damage” as defined by Act 312 exists: (1) in the Shallow Water Bearing Zone¹ on the Property within the area outlined in blue in Exhibit A; and (2) in the soil on the Property within the areas outlined in yellow in Exhibit A near Well Serial Numbers 44428, 69635, 70947, 205030, 206248, 68122 and 76522.

17. As more fully described above, Defendants’ predecessors operated on the Property pursuant to the same lease and within areas covered by this limited admission. Thus, Defendants jointly admit that they are responsible parties under Act 312 to evaluate and, if necessary, remediate to applicable regulatory standards any environmental damage in the soil and/or groundwater on Plaintiffs’ Property within the areas depicted in Exhibit A.

18. Defendants acknowledge that this limited admission under Act 312 establishes that there is “environmental damage,” as that term is defined by Act 312, in the areas outlined in Exhibit A and that Defendants are legally responsible for implementing the “most feasible plan” as set forth herein.

19. This limited admission ***shall not*** be construed as Defendants’ admission of liability for any of the Plaintiffs’ private claims, including, without limitation, that Defendants’ or their

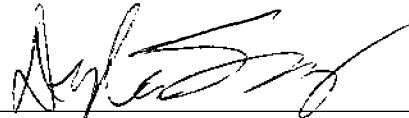
¹ “Shallow Water Bearing Zone” refers to the groundwater present within the area outlined in blue in Exhibit A, occurring between approximately twelve feet (12 ft.) and twenty-six feet (26 ft.) beneath the ground surface.

predecessors' historical operations were negligent or breached any relevant contract or leases with the Plaintiffs. La. Code Civ. Proc. Art. 1563(A)(1). Defendants affirmatively state that their historical operations were reasonable, prudent, and consistent with applicable lease terms and industry practice.

20. This limited admission *shall not* be construed as Defendants' admission of liability for any "environmental damage," as defined by Act 312, or any other damage which is unrelated to the operations of Defendants' or their predecessors. Defendants affirmatively state they were not involved in other lease operations on the Property and had no control over those other operations or the related operators.

21. Defendants request that, pursuant to this limited admission, this Court grant Defendants' accompanying motion and order that this matter be referred to Conservation to conduct a public hearing as required by Louisiana Code of Civil Procedure article 1563(A)(2) and Act 312.

Respectfully submitted:

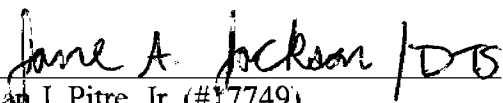


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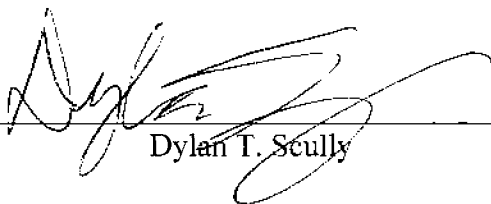
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CERTIFICATE OF SERVICE

I HEREBY CERTIFY that a copy of the above and foregoing has been served upon all known counsel of record by electronic mail, this 14th day of March, 2025.


Dylan T. Scully



- Property
- Chevron Soil Limited Admission Areas
- Chevron Groundwater Limited Admission Areas
- LDNR Registered Oil and Gas Wells**
- Directional Well Surface Location
- Status 3 Permit Expired/No Product Code
- ⊙ Status 22 Wells Reverted To Single Completion
- △ Status 23 Orphan Wells
- Status 29 P&A Dry Hole
- Status 30 P&A Oil Producer

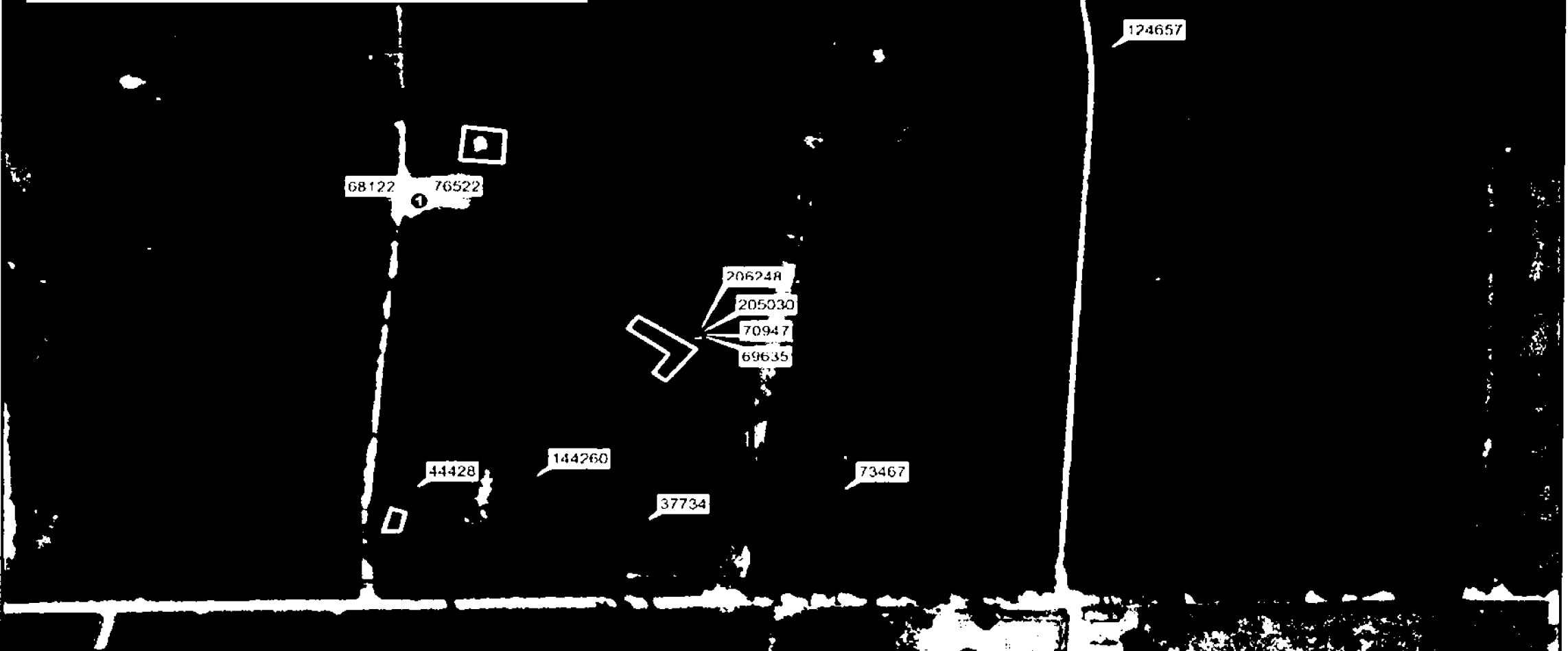


EXHIBIT A

