
Oil and Gas Operator Liability Addressed in Recent Texas Supreme Court Rulings

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The Texas Supreme Court has issued two important and related opinions affecting mineral owners and their lessees. In *Exxon Corporation v. Emerald Oil & Gas Co., L.C.*,² the Court held that a private cause of action may be maintained under Section 85.321 of the Texas Natural Resources Code for damages resulting from a violation of conservation statutes or Texas Railroad Commission rules, but limited the class of parties with standing to sue under the statute. In *Exxon Corporation v. Emerald Oil & Gas Co., L.C. and Laurie T. Miesch, et al.*,³ the Court interpreted the meaning of a continuous development clause, clarified the intent-to-induce element of fraud when the alleged misrepresentations are in reports filed with the Railroad Commission, and addressed the discovery rule on the accrual of a tort cause of action.

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