

SIXTEENTH JUDICIAL DISTRICT COURT

PARISH OF ST. MARY

STATE OF LOUISIANA

DOCKET NO. _____

DIVISION _____

IN RE: THE GONSOULIN TRUST

FILED: _____

DEPUTY CLERK: _____

**PETITION FOR DECLARATORY JUDGMENT AND FOR AUTHORITY TO DEPOSIT
FUNDS INTO THE REGISTRY OF THE COURT**

NOW INTO COURT, through undersigned counsel, come the State of Louisiana, by and through the State Mineral and Energy Board, (hereinafter “the State” or “the Board”), and Argent Trust Company (jointly herein referred to as “the Plaintiffs”), who respectfully petition this Honorable Court for a judgment granting relief in their favor. On information and belief, the Plaintiffs makes the following allegations:

Introduction

The Gonsoulin Heirs are descendants of Gonsoulin of Marseille. The first to arrive was Jean Francois de Beaumelle Gonsoulin, who came to the New World as a land surveyor for the King of France and eventually stayed in the area. Francois mapped most of the Atakapa District, which is most of St. Martin and Iberia Parishes. Francois was given land by the King of France through grants throughout the district, including portions of the tracts that are the subject of this matter and are co-owned by his heirs today.

1.

Acting under the authority granted by Act 513 of the Regular Session of the Louisiana Legislature for the year 1952 and other applicable laws, the Board, pursuant to the request of at least 50 co-owners of land owned in indivision, awarded two mineral leases on behalf of all of the Gonsoulin Heirs to Sun Oil Company. One lease (GH001) was dated August 15, 1957, and one (GH002) was dated February 19, 1959. Pursuant to the Gonsoulin Heirs’ request and State law, the Board began administering those leases on behalf of the Gonsoulin Heirs and continues to do so to this day.

Parties

2.

The Plaintiffs are:

- A. The **State of Louisiana, State Mineral and Energy Board**, acting through Attorney General Jeff Landry, who brings this action under La. R.S. 30:132, and La. R.S. 30:186-188. The State is a juridical person, having its seat of government in East Baton Rouge Parish, State of Louisiana; and
- B. **Argent Trust Company**, a corporation domiciled in the State of Tennessee with a full service trust office located at 500 East Reynolds Drive, Ruston, LA 71270 (“Argent”). Argent is a juridical person with its Louisiana registered office located in Lincoln Parish, State of Louisiana.

3.

The Defendants are the **Gonsoulin Heirs** as identified in the list attached hereto as Exhibit

A.

Jurisdiction

4.

Jurisdiction is proper pursuant to La. C.C.P. arts. 1-9, because the subject property is situated in St. Mary Parish, Louisiana.

Venue

5.

Venue is proper in the St. Mary Parish pursuant to La. R.S. 30:186 and La. C.C.P. art. 80.

Material Facts

6.

Act 513 of the Regular Session of the Louisiana Legislature for the year 1952 authorized the Board to execute oil, gas, or other mineral leases on land within the State of Louisiana pursuant to the request of a least 50 co-owners of land owned in indivision by 500 or more persons (*see* Exhibit B).

7.

Based on Act 513, the State was to prescribe the procedure for making such leases, provide for a ten percent deduction to defray expenses of the State, and to further prescribe the handling of rentals, bonuses, and royalties received by the State under such leases.

8.

Based on information and belief, subsequently the Board acted pursuant to the request of 50 co-owners and awarded two mineral leases on behalf of all of the Gonsoulin Heirs to Sun Oil Company on property situated in T17S, R10E and T17S, R11E.

9.

Sun Oil Company was awarded the first lease (GH001) on August 15, 1957, and the second lease (GH002) on February 19, 1959, both pursuant to Act 513 of 1952 (*see* Exhibit C respectively).

10.

The State received the mineral revenue from the leased property, and, after having its attorney process and verify claims of co-ownership, disbursed the mineral revenue to those verified Gonsoulin Heirs less sums for attorney fees and administration fees pursuant to the trust agreement and statutes.

11.

Portions of Act 513 were repealed by Act 358 §1 of the Regular Session of the Louisiana Legislature of 1960 (Exhibit D), but the surviving portions of Act 513 left the State to administer the leases, both of which are presently maintained in full force and effect according to their terms, on behalf of the presently-verified Gonsoulin Heirs as owners of the leased property.

12.

Based on information and belief, the Gonsoulin heirs are the only group of co-owners to ever benefit from statutes that were repealed by Act 358 §1 of the Regular Session of the Louisiana Legislature of 1960.

13.

Based on information and belief, in usual circumstances, the unit operator, not the State of Louisiana, disperses the mineral royalties in accordance with ownership interests or a division order.

14.

The State formed a trust (the "Trust") in 1965 in accordance with the authority of Act 513 to manage the funds received under or on account of any Gonsoulin Heirs oil, gas, or other mineral lease as rental, bonus, royalty, or otherwise (*see* Exhibit E).

15.

The Trust is presently administered by Argent, who inherited this obligation when it acquired certain accounts of the predecessor trustee, First Bank and Trust Company, in October 2006.

16.

As the trustee, Argent carries out all activities of the Trustee under the Trust and employs certain agents and attorneys to assist in verifying claimants to the subject property and disbursing royalty revenue received under the leases on the property.

17.

Based on information and belief, there are now over 4,000 Gonsoulin Heirs and the Trust is nearing insolvency. The expense account does not have the finances to make disbursements to the multitude of beneficiaries.

18.

As of August 11, 2022, the total net worth of the Trust was \$144,972.89. The annual expenses of the Trust average approximately \$55,000.00. The small value of the Trust property, coupled with the administrative fees and costs, makes it impractical and uneconomical to continue administer the Trust.

19.

Based on information and belief, although a unit encompassing the above-mentioned leases, though still producing in paying quantities as that term is understood in the mineral industry, production within the unit is decreasing to the point that the income accruing is insufficient to maintain the Trust (*see* Exhibit F).

20.

Based on information and belief, the leases have been assigned several times and are now assigned to Texas Petroleum Investment Co., at 5850 San Felipe Street, Suite 250, Houston, TX 77057 (“TPIC”), as lessee (*see* Exhibit G).

21.

Based on information and belief, the Trust will stay in full force and effect for as long as the oil and gas leases are maintained in full force and effect (*see* Exhibit F).

22.

Based on information and belief, the amounts paid into the Trust are no longer sufficient to continue to make disbursements to the Gonsoulin Heirs.

23.

Based on information and belief, Argent has adequately and properly managed the incoming funds since initially incurring the obligation and may be forced to resign because of lack of funds to continue its administration under the terms of the Trust.

24.

In accordance with applicable law, the Board, though tasked with the administration of the Gonsoulin leases pursuant to Act 513 of 1952, cannot use public funds to administer these private leases. La. Const. art. VII, sec. 14(A).

25.

Should Argent resign as trustee due to a lack of sufficient funds to administer the Trust, the State will be forced into this unconstitutional role.

26.

The State cannot administer the leases established by La. R.S. 30:181, as that administration would be an unconstitutional use of public funds.

27.

In order to avoid the imminent resignation of Argent or the constitutional crisis of the State's administration of the Trust in the absence of sufficient funds, the Plaintiffs request that this Court authorize Argent, pursuant to La. R.S. 30:188, to use all income from the account available to administer the Trust.

28.

Informal notification has been sent to the known heirs and assignees with the last distribution to the most recent addresses known.

29.

Because it is likely that the Trust, even with an authorization to use all income for administration purposes under La. R.S. 30:188, will continue to decline in size while the subject leases remain in force and effect, the Plaintiffs further seek the authorization of this Court to use available Trust income to effectuate service of this suit upon all of the Gonsoulin Heirs via publication, pursuant to La. R.S. 30:187.

30.

In accordance with the provisions of the La. R.S. 30:186-188, the Plaintiffs seek an order authorizing the deposit of all remaining Trust funds into the registry of this Court and to be released from the obligation of administering the two leases following the necessary service contemplated by La. R.S. 30:187.

31.

Additionally, the plaintiffs seek authority to use unclaimed funds for the benefit of known heirs or the benefit of administration of the trust.

32.

Pursuant to La. R.S. 30:188, the Plaintiffs seek an order directing that all costs associated with this litigation and the Court's administration of the Trust funds once deposited into the court registry should be paid out of the funds deposited.

33.

The Plaintiffs seek an order, following a final accounting of Trust funds and the deposit of those funds into the court registry, that they are thereafter relieved of all liability for the administration of the Trust and the payment of such funds through their compliance with the requirements of La. R.S. 30:187 and the Louisiana Trust Code.

34.

The Plaintiffs, pursuant to La. C.C.P. art. 5091, need and move the court for the appointment of an attorney to represent the Gonsoulin Heirs due to the large number of heirs to be served in the above cited matter.

35.

Pursuant to La. C.C. art. 392, and in accordance with La. C.C.P. art. 5091, a curator is needed to handle any interdicted persons', deceased persons', minors', or absentees' property interests in the Trust.

36.

The Plaintiffs further seek an order directing TPIC, and any subsequent holder of the Gonsoulin leases (GH001 and GH002) to deposit into the registry of this court both royalties now due and those that may accrue in the future until such time as direct payment between the lessees and the Gonsoulin Heirs can be established or until the leases lapse by their own terms.

37.

The Plaintiffs respectfully move this Honorable Court for an order appointing a single curator to represent the Gonsoulin Heirs in this matter for the purpose of effectuating service.

38.

Alternatively, the Plaintiffs seek the authority to suspend payment until a distribution can be made in accordance with the Trust agreement and the Trust Code.

WHEREFORE, in order to properly and effectively discharge their fiduciary duties and to ensure the integrity of what is left of the Trust, the Plaintiffs pray that a judgment be rendered in their favor as follows:

1. Allowing the Trustee to use the incoming funds to accomplish service upon the named parties.
2. Serving by publication in accordance with the law and the equities of this matter.
3. Allowing Argent, TPIC, or any successor trustee or payor to deposit the funds in their possession and any and all future payments into the registry of this court in accordance with applicable Louisiana laws and regulations.
4. Relieving of all responsibility or obligation to manage or distribute the Gonsoulin Heirs' funds, or administer the leased property, and oil and gas leases GH001 and GH002.

Respectfully submitted:

JEFF LANDRY
ATTORNEY GENERAL

By:

Warren B. Bates, Jr. (#39796)
Ryan M. Seidemann, Ph.D. (#28991)
Ryan Montegut (#30363)
Assistant Attorneys General
Louisiana Department of Justice
Civil Division, Lands & Natural Resources
P.O. Box 94005
Baton Rouge, LA 70821
Telephone: (225) 326-6000
batesw@ag.louisiana.gov
seidemannr@ag.louisiana.gov
montegutr@ag.louisiana.gov

Counsel for State of Louisiana

and

Christopher S. Holtzclaw (#35828)
Argent Financial Group, Inc.
500 East Reynolds Drive
Ruston, LA 71270

choltzclaw@argentfinancial.com

PLEASE SERVE COURT-APPOINTED CURATOR ONLY

PLEASE WITHHOLD SERVICE ON GONSOULIN HEIRS

STATE OF LOUISIANA
PARISH OF ST. MARY
SIXTEENTH JUDICIAL DISTRICT COURT

DOCKET NO. _____

DIVISION _____

IN RE: THE GONSOULIN TRUST

FILED: _____

DEPUTY CLERK: _____

**ORDER APPOINTING CURATOR FOR
THE GONSOULIN HEIRS**

IT IS HEREBY ORDERED, ADJUDGED AND DECREED that
_____ be appointed curator for the Gonsoulin Heirs in order to
represent their interests and to ensure proper service be made upon them consistent with the rulings
of this Court and the law.

Baton Rouge, Louisiana, this ____ day of _____, 2022.

DISTRICT JUDGE
SIXTEENTH JUDICIAL DISTRICT
ST. MARY PARISH

Please Serve:

Curator appointed by the Court