

**31<sup>ST</sup> JUDICIAL DISTRICT COURT FOR THE PARISH OF JEFFERSON DAVIS**

**STATE OF LOUISIANA**

**DOCKET NO. C-502-20**

**CASTEX DEVELOPMENT, LLC**

**VERSUS**

**ANADARKO PETROLEUM CORPORATION, ANADARKO US OFFSHORE, LLC,  
BP AMERICA PRODUCTION COMPANY, CONOCOPHILLIPS  
COMPANY, CROWN CENTRAL, LLC, EXXONMOBIL OIL CORPORATION,  
FREEPORT-MCMORAN, INC., and OCCIDENTAL ENERGY COMPANY, INC.**

**FILED: \_\_\_\_\_**

**\_\_\_\_\_  
DEPUTY CLERK OF COURT**

**BP AMERICA PRODUCTION COMPANY'S LIMITED ADMISSION**

Pursuant to Louisiana Revised Statute 30:29 ("Act 312") and Louisiana Code of Civil Procedure Article 1563, BP America Production Company ("BP"), as successor to Midwest Oil Corporation ("Midwest") and Amoco Production Company ("Amoco"), makes this limited admission in the above-captioned case and states the following:

1. On August 7, 1954, Rosa Castex Boudreaux, Ozella McCain Johnson, Mark Boudreaux, Worrell B. Johnson, Beulah Blanche Bourdier, Albert Sidney Johnson, Castex M. Boudreaux, Grace Johnson Miller, James L. Boudreaux, Ogden W. Johnson, and Ora Johnson Miguez ("Johnson-Boudreaux Family") granted an Oil, Gas and Mineral Lease to Lyle Cummins ("1954 Mineral Lease") covering approximately 955.35 acres of farm land in the West Mermentau Oil and Gas Field in Jefferson Davis Parish, Louisiana ("Property").<sup>1</sup>

2. The 1954 Mineral Lease granted by the Johnson-Boudreaux Family permitted oil and gas operators to drill, produce and own oil and gas, lay pipelines, construct and maintain tanks, roads, and other facilities on the Property necessary or convenient to produce, save, take care of, treat, store, transport, manufacture and dispose of any oil, gas, or salt water. The 1954 Mineral

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<sup>1</sup> The Property is located in Sections 17 and Sections 17 and 18, Township 10 South, Range 2 West, Jefferson Davis Parish, Louisiana and in Sections 13 and 36, Township 10 South, Range 3 West, Jefferson Davis Parish, Louisiana. The 1954 Mineral Lease was not the first mineral lease on the Property. Between 1935 and 1945, the Johnson-Boudreaux Family and its predecessors granted four mineral leases under which four oil and gas wells were drilled. Since the 1930s, the Property has been used for oil and gas operations and farming activities.

Lease further granted operators the right to inject into the subsurface of the Property gas, water, brine (saltwater), and other fluids generated as a result of oil and gas production.

3. The 1954 Mineral Lease further contemplated that oil and gas operators would conduct their operations with due regard for farming activities conducted on the Property. Specifically, the 1954 Mineral Lease stated that “When required by Lessor [the Johnson Boudreaux Family], Lessee [the oil and gas operator] will bury pipelines below ordinary plow depth and pay damage caused by Lessee’s operations to growing crops, as well as damages to the land that may be directly affected by operations of Lessee due to saltwater, waste oil or the like, rendering the same unusable for its normal use as farm land...” In exchange for these rights and obligations, the Johnson-Boudreaux Family received royalty payments from the sale of oil and gas.

4. On January 19, 1961, BP’s predecessor, Midwest, acquired a partial interest in the 1954 Mineral Lease. Under the authority of the 1954 Mineral Lease, Midwest drilled and/or operated four wells at three locations on the Property from 1960 to 1974: the Johnson & Boudreaux SWD No. 1 (SN 76164), the Johnson-Boudreaux No. 1 (SN 82022), the Johnson & Boudreaux No. 2 (SN 82706), and the Johnson-Boudreaux No. 001-D (SN 139607)(collectively, the “Johnson-Boudreaux Well Sites”). The Johnson & Boudreaux No. 2 (SN 82706) was a dry hole plugged in 1963.

5. From 1960 to 1974, Midwest operated the Johnson-Boudreaux Well Sites in a reasonably prudent manner under the authority of the 1954 Mineral Lease and in accordance with applicable rules and regulations.

6. In 1963, the Inspection & Enforcement Division for the Office of Conservation, who is charged with policing oil and gas operators in Louisiana, praised Midwest’s operations on the Property, stating that Midwest’s production facilities “comply in every respect with the regulations set forth by the Statewide Orders of the Department of Conservation and we wish to take this opportunity to commend you for good operating practices.” The Inspection & Enforcement Division further reported that Midwest’s “housekeeping in this Field is excellent.”

7. Midwest also conducted its operations with due regard for the farming activities conducted on the Property as required by the 1954 Mineral Lease.



8. On August 31, 1961, Midwest compensated the Johnson-Boudreaux Family for “any and all damage whatsoever, including but not limited to, damages to the surface, fences, crops, timbers and any and all other damages of any kind in connection with the drilling of the Midwest Oil Corporation’s #1 – Johnson Boudreaux and the Midwest Oil Corporation’s #2 – Johnson Boudreaux wells.” In exchange for this payment, the Johnson-Boudreaux Family agreed to “release and relinquish any and all claims against Midwest Oil Corporation, its successors, agents or employees by reason of any and all operations in connection with the drilling of the above mentioned wells.” The Johnson-Boudreaux Family further agreed that the money paid to them by Midwest was “accepted as full payment of any obligation of liability on the part of Midwest to fill in, level or to otherwise improve, repair or work on the mu[d] pits or other excavations, levees or fills constructed in connection with the wells hereinabove mentioned or to do any other work or thing to restore the land to the condition which it was prior to the commencement of operations.” Midwest also buried its pipelines on the Property as required by the 1954 Mineral Lease.

9. On August 6, 1974, BP’s predecessor, Amoco, began operating the Johnson-Boudreaux Well Sites. Amoco operated the Johnson-Boudreaux Well Sites from 1974 to 1983. Like Midwest, Amoco operated the Johnson-Boudreaux Well Sites in a reasonably prudent manner under the authority of the 1954 Mineral Lease. The Office of Conservation reported in 1977 and 1978 that Amoco’s operations in the West Mermentau Field “places them in compliance with the regulations set forth by Statewide Orders of the Office of Conservation.”

10. Effective December 10, 1983, Amoco assigned its interests in the 1954 Mineral Lease and Johnson-Boudreaux Well Sites to another operator. The 1954 Mineral Lease thereafter expired by September 12, 1984.

11. During the course of their operations from 1960 to 1983, Midwest and Amoco prudently produced oil and gas for the mutual benefit of themselves and the Johnson-Boudreaux Family with due regard for the farming operations, all in accordance with the 1954 Mineral Lease.

12. By 1991, the Johnson-Boudreaux Well Sites were all plugged and abandoned. The Johnson-Boudreaux Family and its successors and assigns subsequently issued new mineral leases

to new oil and gas operators. In fact, oil and gas operations are being conducted on the Property today.

13. In February 2019, thirty-six years after Amoco stopped operating on the Property, Southland Environmental, LLC (“Southland”) conducted a “Phase I Environmental Site Assessment” on the Property to identify the presence of potential damages caused by historical oil and gas operations.

14. Southland’s investigation identified “several recognized environmental conditions (RECs)” which Southland affirmatively described as “the presence or likely presence of any hazardous substances or petroleum products on the property that have been released to the environment, or pose a material threat of future release to the environment.” One of the “RECs” identified by Southland was “Oil and gas exploration activities have occurred on the property dating back to 1935. Multiple pits associated with the oil and gas exploration wells were located on the investigated tract. One pit is still visible on the investigated property today. Such pits were used to store exploration and production wastes, including produced water and hydrocarbons.” Further according to Southland, “Potential contamination resulting from the discharge or releases from oil and gas exploration and production activities may include: naturally occurring radioactive materials (NORM), hydrocarbons, heavy metals, and chlorides.”

15. All of Plaintiff’s members were in possession of the Southland Phase I Environmental Site Assessment by May 13, 2019.

16. Effective June 18, 2019, successors and assigns of the Johnson-Boudreaux Family and members of the Plaintiff entered into an Agreement to Purchase or Sale the Property. The Agreement to Purchase or Sale included a provision whereby Plaintiff and its members would obtain the right to sue for “past environmental damage or contamination of the surface and subsurface of the Property.”

17. In September 2019, successors and assigns of the Johnson-Boudreaux Family, members of the Plaintiff, and Plaintiff entered into an Agreement Regarding Surface Rights and Claims. The Agreement Regarding Surface Rights and Claims included a provision whereby Plaintiff and its members purportedly obtained the right to sue for “past environmental damage or contamination of the surface and subsurface of the Property.”



18. On October 30, 2019, Plaintiff Castex Development, LLC (“Plaintiff”) acquired the Property in two acts of cash sales.

19. Plaintiff filed this lawsuit on October 4, 2020 against BP and other former operators generally alleging that historical oil and gas operations damaged the Property.

20. Plaintiff’s lawsuit seeks hundreds of millions of dollars (over \$239 million) to “restore plaintiff’s property to its pre-contaminated condition” for operations conducted decades before Plaintiff acquired the property. Plaintiff also seeks funds to “conduct a comprehensive and expedited environmental assessment of plaintiff’s land to identify all hidden or not yet identified pollution.”

21. The exorbitant remediation plan proposed by Plaintiff is not feasible, not necessary, and does not give due regard to the farming activities that are being conducted on the Property today.

22. As to BP, Plaintiff claims that Midwest and Amoco negligently or imprudently operated the wells and facilities at the Johnson-Boudreaux Well Sites, causing environmental damage as defined by Act 312. BP denies these allegations.

23. Nevertheless, BP recognizes it may hold responsibility to the regulators under present-day requirements with regard to allegations of “environmental damage,” defined by Act 312 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).

24. 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 environment damage[.]” La. R.S. 30:29(A).

25. When a plaintiff alleges “environmental damage” in a lawsuit, a defendant may make a limited admission under Act 312 and take responsibility for implementing the most feasible plan to evaluate, and if necessary, remediate all or a portion of the alleged environmental damage to applicable regulatory standards.

26. When a defendant makes a limited admission, the Louisiana Department of Energy and Natural Resources (“LDENR”) is to conduct a public hearing to determine the most feasible

plan to evaluate or remediate environmental damage under applicable regulatory standards. La. Code Civ. Proc. Art. 1563(A)(2).

27. A defendant who makes a limited admission must perform an evaluation and, if necessary, the remediation required by the most feasible plan, and all money paid by an admitting defendant goes into escrow to be used only for the evaluation or remediation of the land required by the most feasible plan. *See* La. R.S. 30:29 (C)(5).

28. The Property contains some evidence of substances originating from historical oil and gas operations, but none of the substances detected on the Property impair the reasonably intended use of the Property, neither do the substances pose a risk to human health or the environment. As the successor to Midwest and Amoco, who conducted operations on the Property, BP recognizes that, as allowed under Act 312, it may hold present-day regulatory responsibility under present-day regulations for the evaluation of allegations of “environmental damage” originating from oil and gas operations conducted by its predecessors. BP wishes to submit all pertinent data to the LDENR for evaluation and consideration of the existence or non-existence of environmental damage.

29. BP further wishes to ensure that any money awarded in this lawsuit is used to address “environmental damage,” if any, consistent with Act 312. BP further believes that the relevant state agencies are in the best position to approve, structure, and coordinate the implementation of a plan to evaluate or remediate environmental damage, if any, and protect the health, safety, and welfare of the people.

30. Therefore, pursuant to the provisions of Louisiana Code of Civ. Proc. Art. 1563 and Act 312, BP makes a limited admission of responsibility to evaluate whether environmental damage as defined by Act 312 exists, and, if necessary, remediate environmental damage, if any, resulting from the operation of the Johnson & Boudreaux SWD No. 1 (SN 76164) and its now closed production facilities to applicable regulatory standards.

31. BP elects to limit this admission to responsibility for implementing the Most Feasible Plan to evaluate whether environmental damage as defined by Act 312 exists, and, if necessary, remediate environmental damage, if any, resulting from the operation of the Johnson &



Boudreaux SWD No. 1 (SN 76164) and its now closed production facilities depicted on the attached map (Exhibit A) as Limited Admission Area 1 to applicable regulatory standards.

32. BP states that this limited admission shall not be construed as an admission by BP of liability for any of Plaintiffs' private claims, including, without limitation, that BP or its predecessor's historical operations were unreasonable, excessive, imprudent, negligent or breached any relevant leases or any applicable legal standards. BP affirmatively states that the historical operations of its predecessors, Midwest and Amoco, were reasonable, prudent and consistent with its lease terms and industry practice. *See* La. R.S. 30:29. BP affirmatively states it had no control over the operations of any other operators on the property. BP reserves all rights and defenses.

33. BP states that this limited admission shall not be construed to mean any remediation is required or that there are any substances or contaminants present in a usable groundwater aquifer, in an underground source of drinking water (USDW), or in the soil in such quantities as to render them unsuitable for their reasonably intended purposes. La. Code Civ. Proc. Art. 1563 (A)(1).

34. BP states that this limited admission shall not be construed to mean that there is any actual or potential impact, damage, or injury to the soil on the Property, or that there is any impairment to the reasonably intended use of the Property.

35. BP states that this limited admission shall not be construed to mean that there is actual or potential impact, damage, or injury to any usable groundwater aquifer or USDW that may exist beneath the Property.

36. BP states that this limited admission shall not be construed to mean that water bearing zones beneath the Property encountered by Plaintiff's experts between 40 and 80 feet below ground surface are usable or a USDW.

37. BP hereby reserves its right to contest that (a) water bearing zones beneath the Property are usable groundwater aquifers or USDWs, (b) substances in the soil or groundwater render the Property unsuitable for its reasonably intended purposes, and (c) there is any actual or potential impact, damage, or injury to soil, usable groundwater aquifer, or USDW.

38. By this filing, BP invokes La. R.S. 30:29(C) which mandates that the Court refer this matter to the Louisiana Department of Energy and Natural Resources to conduct a public hearing as set forth in Louisiana Code of Civil Procedure Article (A)(2) and Act 312. (“[i]f one or more of the defendants have made a timely limited admission, the court shall refer the matter to the Department of Natural Resources. . . to conduct a public hearing to approve or structure a plan which the department determines to be the most feasible plan to evaluate or remediate the environmental damage[.]”)

39. Louisiana Code of Civ. Proc. Art. 1563(A)(5) provides that the deadline for a limited admission is ninety days from the date environmental sampling on the Subject Property is complete. According to the Third Environmental and Case Management Order entered by the Court on October 18, 2024, BP’s deadline to complete its sampling of the Subject Property was May 19, 2025. This limited admission was filed less than 90 days thereafter and is therefore timely.

40. Because trial is set to begin on February 23, 2026, and BP believes that the relevant state agencies are in the best position to determine the most feasible plan to evaluate or remediate environmental damage, if any, on the Property, BP makes this limited admission requiring referral of this matter to the LDENR as set forth in the accompanying *Ex Parte* Motion and Incorporated Memorandum in Support for Mandatory Referral to the Louisiana Department of Energy and Natural Resources for the Development of the Most Feasible Plan. In the event additional data provides new information, BP reserves the right to amend the scope of this admission.



Respectfully submitted:



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**Attorneys for BP America Production Company**

**CERTIFICATE OF SERVICE**

I hereby certify that a true and correct copy of the foregoing has this day been forwarded to all known counsel of record by e-mail properly addressed.

Lafayette, Louisiana, this 5<sup>th</sup> day of August, 2025.



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## EXHIBIT A



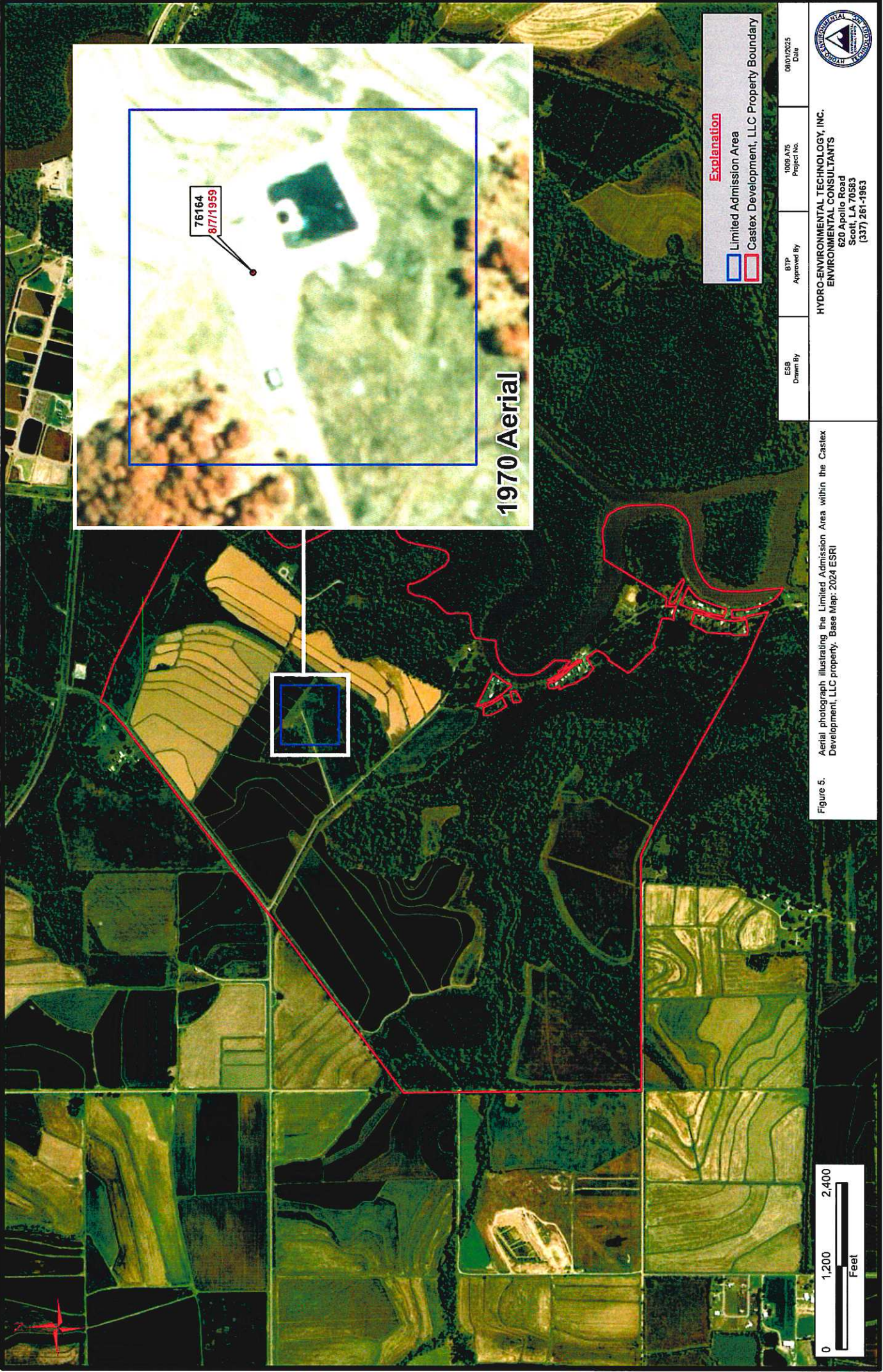


Figure 5. Aerial photograph illustrating the Limited Admission Area within the Castex Development, LLC property. Base Map: 2024 ESRI

Explanation	
<span style="border: 1px solid blue; display: inline-block; width: 10px; height: 10px;"></span>	Limited Admission Area
<span style="border: 1px solid red; display: inline-block; width: 10px; height: 10px;"></span>	Castex Development, LLC Property Boundary

ESB Drawn By	BJP Approved By	1009.A75 Project No.	08/01/2025 Date
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