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**UNITED STATES DISTRICT COURT
WESTERN DISTRICT OF LOUISIANA
LAKE CHARLES DIVISION**

U. S. DISTRICT COURT
WESTERN DISTRICT OF LOUISIANA
FILED
JUL - 8 1999
ROBERT A. SPREWELL, CLERK
BY RAM DEPUTY

**The Sweet Lake Land & Oil Company,
Inc. and The North American Land
Company, Inc.,
Plaintiffs**

Civil Action No. **CV 99-1226**

JUDGE HUNTER

vs.

**Union Oil Company of California,
Defendant**

MAGISTRATE JUDGE WILSON

COMPLAINT

NOW COME, through undersigned counsel, The Sweet Lake Land & Oil Company, Inc. (hereinafter "SLLOC") and The North American Land Company, Inc. (hereinafter "NALC") and bring this civil action against defendant Union Oil Company of California (hereinafter "UNOCAL.")

I.

This Honorable Court has jurisdiction over this matter pursuant to its diversity jurisdiction, 28 U.S.C. §1332. Since plaintiffs are citizens of the State of Louisiana and defendant is a citizen of the State of California, there exists complete diversity between the parties, and the amount in controversy herein exceeds the sum or value of \$75,000.

II.

The property which was damaged by defendants is in Cameron Parish, Louisiana. Plaintiffs are residents of Calcasieu Parish, Louisiana. Therefore the venue of this action is

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properly laid in this district court.

III.

Plaintiff SLLOC is a corporation organized and existing under the laws of the State of Louisiana having its principal place of business in the City of Lake Charles, Parish of Calcasieu, State of Louisiana. SLLOC is the owner of wetlands located in and around Township 12 South, Range 8 West, Sections 25, 35 and 36, Cameron Parish, Louisiana (hereinafter "the SLLOC property.")

IV.

Plaintiff NALC is a corporation organized and existing under the laws of the State of Louisiana having its principal place of business in the City of Lake Charles, Parish of Calcasieu, State of Louisiana. NALC is the owner of approximately 7120 acres of wetlands located in and around Township 12 South, Range 7 West, Township 13 South, Range 7 West, and Township 13 South, Range 8 West, Cameron Parish, Louisiana (hereinafter "the NALC property.")

V.

Defendant UNOCAL is a corporation organized and existing under the laws of the State of California with its principal place of business in El Segundo, California. On information and belief, UNOCAL is the successor in interest to The Pure Oil Company, the predecessor in interest and/or alter-ego of UNOCAL for all purposes herein. ("UNOCAL" and "The Pure Oil Company" will be used interchangeably herein.)

VI.

On or about November 12, 1928, SLLOC leased to The Pure Oil Company a portion of the SLLOC property for the purpose of constructing and maintaining a reservoir for produced

water and other waste products from oil wells. The land leased for construction of the reservoir was identified in the lease as "Section 36, and the south half of the south-east quarter of Section 25, both in Township 12 South, Range 8 West, save and except, however, all that part of said tracts of land lying east of the west bank of the intake canal located approximately 660 feet west of the east line of Sections 25 and 36. All of such land lying to the east of the west bank of said canal is specifically excepted here from, leaving approximately 620 acres covered hereby." The lease was in effect on a year to year basis in perpetuity. A copy of the SLLOC-Pure Oil lease is attached hereto as Exhibit "A."

VII.

UNOCAL breached its express and implied obligations under the aforementioned lease and applicable laws of the State of Louisiana to remediate and restore the property. Specifically, UNOCAL, through its use of the reservoir and its related oil and gas production activities, contaminated the SLLOC property with toxins and hazardous substances, rendering it unusable, and left contaminants on the property which were only discovered by SLLOC after scientific testing in the summers of 1998 and 1999. These contaminants have damaged and continue to damage the SLLOC property and the related ecosystem.

VIII.

Further, through UNOCAL's negligence, strict liability for its offending facilities and the breach of its implied obligation to restore the surface and subsurface of the land to its pre-existing condition, UNOCAL inflicted and continues to inflict upon SLLOC severe property damage and nuisance damage.

IX.

The damage inflicted by UNOCAL, which includes, but is not limited to, the seepage and infiltration of pollutants and toxins into and through the surrounding SLLOC property's wetlands and further into the substrata and the related ecosystem, continues and is presently ongoing.

X.

UNOCAL also entered into a Surface Lease and Right of Way Agreement (hereinafter "the dock lease") with SLLOC dated June 1, 1984, which leased a certain portion of agricultural land of approximately 3.3 acres for the purpose of maintaining a dock facility (hereinafter "the UNOCAL dock.") The dock lease renders UNOCAL liable for all damages and liabilities sustained by SLLOC related to the lease and UNOCAL agrees to defend and indemnify SLLOC for all losses or claims associated therewith. A copy of the dock lease is attached hereto as Exhibit "B."

XI.

UNOCAL's vessels or vessels present in the vicinity of SLLOC's property under authority of UNOCAL and using the UNOCAL dock have, as a result of their excessive wakes, their failure to comply with applicable speed limits, their negligent operation, and their unseaworthiness, inflicted and continue to inflict severe damage on the SLLOC property, including, but not limited to, water damage, accelerated coastal erosion, and a loss of irreplaceable wetlands.

XII.

In addition to its liability in tort, admiralty, and under all applicable state and federal laws for the aforescribed vessel-related damage, UNOCAL is contractually obligated to repair

that damage pursuant to the aforementioned dock lease.

XIII.

On information and belief, by an Oil, Gas & Mineral Lease dated November 19, 1924, Sweet Lake Land & Oil Company, Inc. granted a mineral lease to The Pure Oil Company covering the NALC property (hereinafter "the 1924 lease.")

XIV.

By deed dated July 31, 1935, SLLOC conveyed the NALC property to Amoco Production Company, Inc. (hereinafter "Amoco") subject to the 1924 lease.

XV.

On or about April 1, 1996, Amoco granted a new Oil and Gas Lease to UNOCAL covering the NALC property, specifically Township 12 South, Range 7 West, Section 31; Township 13 South, Range 7 West, Sections 6 and 7; and Township 13 South, Range 8 West, Sections 1, 2, 3, 10, 11, 13, and 14, all located within the Parish of Cameron, State of Louisiana. A copy of the Amoco-UNOCAL lease is attached hereto as Exhibit "C."

XVI.

On October 23, 1997, Amoco conveyed the NALC property to NALC; Amoco reserved the mineral rights to the NALC property, which rights were the subject of the aforementioned Amoco-UNOCAL lease.

XVII.

As the mineral lessee of the NALC property and owner of the pits, wells, pools, and equipment thereon, UNOCAL is also obligated to plug and abandon the non-producing wells on the NALC property, remove all equipment and restore the surface to its original condition.

XVIII.

SLLOC seeks recovery herein from UNOCAL for the restoration of the SLLOC property to its original condition, as well as all other damages provided by the applicable laws.

XIX.

NALC seeks recovery from UNOCAL for the cost of plugging and abandoning the non-producing wells on, removing of all equipment from, and the restoration of the NALC property to its original condition, as well as all other damages provided by all applicable laws.

XX.

Plaintiffs respectfully pray for trial by jury.


XXI.

Plaintiffs expressly reserve the right to supplement and amend this Complaint.

WHEREFORE, the premises considered, plaintiffs The Sweet Lake Land & Oil Company, Inc. and The North American Land Company, Inc. respectfully pray that defendant be cited to appear and to answer, and that, after due proceedings had, defendant be found liable to plaintiffs and that plaintiffs be awarded from defendant all compensatory and punitive damages to which they are properly entitled as well as pre-judgment and post-judgment interest thereon, along with the recovery of the costs of this litigation, including, but not limited to, attorneys' fees and litigation costs, cost of restoration of the surface and sub-surface of plaintiffs' properties to their original condition, all costs associated with the sampling, testing and evaluation of the properties, costs of plugging non-producing wells and removing equipment from the NALC property, and all other relief that this Court deems fit and proper.

Respectfully submitted,

By:



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UNITED STATES DISTRICT COURT
WESTERN DISTRICT OF LOUISIANA
Lake Charles DIVISION

NOTICE OF DOCUMENT NOT FILED IN RECORD

CIV CASE # 2:99cv1226

Sweet Lake Land & Oil
Co, et al
VS.

Union Oil Co of California

ATTACHMENTS TO:

DOCUMENT #: 1

DESCRIPTION: Complaint

FILED BY: ~~07/08/99~~ Plaintiffs

FILE DATE: 07/08/99

HAVE BEEN PLACED IN AN ACCORDIAN FOLDER.

Sandra G. Dean
DEPUTY CLERK