

Won a Colorado Supreme Court opinion for Crestone Peak Resources in a lease dispute with significant implications for Colorado's oil and gas industry.

2023

WTO lawyers won a precedent-setting Colorado Supreme Court opinion for Crestone Peak Resources to protect part of its initial \$900 million investment in Colorado. Boulder County had argued that two leases Crestone acquired terminated as a result of a 2014 pause in production. In affirming the Colorado Court of Appeals decision, the Colorado Supreme Court ensured that oil and gas leases in Colorado are read in a commercially reasonable manner and cannot be terminated when routine maintenance issues require brief halts in production.

The opinion has significant implications for all Colorado oil and gas leases. Specifically, the court reaffirmed that oil and gas leases in Colorado are "intended to promote productivity and development" and that upholding leases despite short pauses in production is "for the mutual benefit of the lessor and the lessee." The court also held that Boulder County's attempt to terminate leases when an operator engages in routine maintenance is bad for the environment because doing so "risk[s] initiating a surge of new drilling operations any time there is a pause" in production simply to avoid losing a lease.

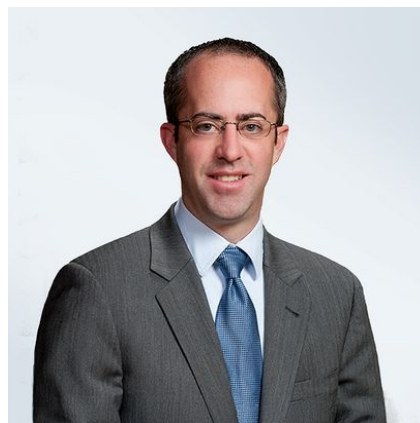
Related Professionals



Annie M. Anderson
Counsel

The opinion was years in the making. WTO successfully represented Crestone through summary judgment in 2019 and a Colorado Court of Appeals opinion in **2021**.

The WTO team included **Joel Neckers**, **Fred Yarger**, **Annie Anderson**, and **Andrew W. Myers**.



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