JULY 2023

# NEWSLETTER

## MONTHLY RR&A UPDATES

#### PROTECTING YOUR COMPANY IN A DOWNTURN USING Agreements you already Have in place

Many oil and gas industry professionals, regardless of their experience level, know that the industry can be unpredictable. As commodity prices begin to drop and the future becomes unclear, companies may start to question what actions they can take to secure their sustainability. Discover how RR&A can safeguard and defend your company's interests during tough economic times.



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<u>Your Right to</u> <u>Audit, Is it</u> <u>Clear?</u> <u>Complying</u> <u>With the WARN</u> <u>Act During</u> <u>Layoffs or</u> <u>Shutdowns</u>

# EMPLOYEE Spotlight



Associate, Matt Dishong

# WHAT'S NEW AT RR&A?



# EVENTS AT RR&A



## CLIENT SPOTLIGHT

Just as RR&A celebrated our five-year anniversary this year, so too did this month's spotlight client, Crossroad Energy Solutions Inc. Crossroad serves as a one-stop Solutions provider to its clients by offering both its own ETL Certified Control Panel fabrication shop as well as Electrical, Instrumentation, Automation, and Programming field services. They have the knowledge and expertise to tackle your most complex control systems and will work to gain trust for your business needs. Their exponential growth since being founded in 2018 proves that their efficient, solutions-oriented approach has made them a leader in providing this expertise to the oil and gas industry, municipalities, and other industrial markets, and we are proud to have the opportunity to work with them.







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## CASELAW UPDATE

#### CANNON OIL & GAS WELL SERVS. V. KLX ENERGY SERVS., L.L.C. 20 F.4th 184 (5th Cir. 2021)

This suit arises from a master equipment rental agreement between Wyoming-based Cannon Oil and Gas Well Services, Inc. ("Cannon") and Texas-based KLX Energy Services, LLC ("KLX"). While the parties contracted that Texas law would govern their indemnity obligations, the injury in this matter was sustained by an employee from KLX's Wyoming office, and the majority of the work took place in Wyoming.

The state of Wyoming has banned oilfield indemnity agreements; Texas has instead imposed limitations on such agreements. Despite Wyoming's ban, Canon sought indemnification for the employee injury as provided in the contract pursuant to Texas law.

The Fifth Circuit ultimately decided that, in addition to considerations concerning the distance between Texas and performance of the contract terms, Wyoming's antiindemnity policy was "fundamental," had a "more significant relationship" to the indemnity agreement, and had a "materially greater interest" in the matter. The court overrode the parties' choice-of-law provision to account for Wyoming's regulatory interests and barred Cannon's indemnification claim.