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energybuzz

Triple Play of Energy Deals for Latham & Watkins

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Early May has been a busy time for Texas lawyers working on energy deals. Lawyers in Latham & Watkins' Houston office got a taste of that frenzy by working on three deals announced on three consecutive days—two of them for the same client.

The firm represents a subsidiary of Freeport-McMoRan Copper & Gold in both a divestiture and an acquisition of energy assets. It also represents a subsidiary of Swift Energy Co. in an Eagle Ford Shale development deal with the U.S. subsidiary of a state-owned oil and gas company in Indonesia.

Jeffrey Munoz, a Latham partner in Houston who worked on both deals for Freeport-McMoRan Oil & Gas, said a heavy load of deals during the first quarter of 2014 has kept Texas energy transactional lawyers quite busy.

"This has been the busiest first quarter from the E&P, M&A side that I've seen. ...This year, it's taken off," Munoz said.

Munoz said energy companies are focusing their businesses and making acquisitions or selling off assets to make that happen.

"It's much more of a focus to stick

with what they do best," he said.

He said the two deals for Freeport-McMoRan were interrelated, with proceeds from the \$3.1 billion sale of Eagle Ford Shale assets paying for the \$1.4 billion purchase of Deepwater Gulf of Mexico assets.

Munoz, one of the lead lawyers on both deals, said the firm has a "pretty deep oil and gas bench" in Houston. The firm has 20 or 25 of 75 lawyers in Houston focusing on oil and gas mergers and acquisitions, so handling the work was possible. The deal work was accomplished within a couple of weeks.

Eric Kinneberg, director external communications for Freeport-McMoran Copper & Gold, declined in an email to provide the names of in-house lawyers involved.

Freeport-McMoRan Oil & Gas to acquire Gulf of Mexico assets from Apache Corp.

Anthony Lannie, executive vice president and general counsel for Apache Corp., turned to Bracewell & Giuliani for the Houston energy company's pending sale of Deepwater Gulf of Mexico assets to a subsidiary of Freeport-McMoRan Copper & Gold Inc. for \$1.4 billion.

Latham & Watkins represents the Houston-based subsidiary, Freeport McMoRan Oil & Gas.

On May 8 the companies announced that Freeport-McMoran Oil & Gas and Apache entered into a definitive purchase and sale agreement to acquire Apache interests in Deepwater Gulf of Mexico, including interests in the Lucius and Heidelberg oil production development projects.

The transaction is expected to close by the end of the second quarter of 2014, but would be effective as of May 1. It's subject to preferential rights and other customary closing conditions.

At Apache, the in-house team working on the deal includes Patrick Whitman, Mike Myers, Jon Sauer, Brett Cupit, Jackie Moy and Steve Williams.

The Bracewell team includes partners G. Alan Rafte and Michael De Voe Piazza, both of Houston; Elizabeth McGinley of New York City; D. Kirk Morgan II of Washington, D.C.; and Tim Wilkins of Austin. Associates are Christopher Miller of Houston and Vivian Ouyang of New York.

The Latham lawyers for Freeport McMoRan Oil & Gas on the oil and gas transactions team include Houston partner Munoz and Houston associates Stephen

Szalkowski, Chris Bennett, David Yellow Robe and James Robertson. Others are partner Tim Fenn and associate James Cole, both of Houston, for tax work; partner Joel Mack of Houston for environmental matters; and partner Tad Lipsky and counsel Sydney Smith, both of Washington, D.C., for antitrust work.

Freeport-McMoRan Oil & Gas to sell Eagle Ford Shale assets to subsidiary of Encana Corp.

Latham also represented Freeport McMoRan Oil & Gas in the pending sale of its Eagle Ford Shale assets to a subsidiary of Encana Corp. for \$3.1 billion. That deal was announced on May 7.

Encana, based in Calgary, Alberta, is using lawyers from Andrews Kurth,

The transaction is expected to close by the end of the second quarter of 2014, but will be effective on April 1. It is subject to customary closing conditions.

Robin Fredrickson, a Latham partner in Houston, led an oil and gas transactions team representing Freeport-McMoRan, with assistance from Houston partner Munoz and associates Brock Naeve, Bryce Kaufman and Sheila Forjuoh. Others include Houston partner Fenn and associate Cole for tax matters; partner Laurence Seymour of Los Angeles and associate Julie Crisp of San Francisco for benefits matters; and partner Lipsky and counsel Smith, both of Washington, D.C., for antitrust matters.

Stuart Hollimon, a partner in Houston, led the Andrews Kurth

team representing Encana, with assistance from associates Joe Flack, Harve Truskett and Ali Farish, all of Houston. Others include tax partner Angela Richards of Houston, environmental partner Lisa Shelton of Austin, antitrust partner Kay Lynn Brumbaugh of Dallas, and employment of counsel Don Horton and ERISA partner Christopher Fenelon, both of Houston.

Swift Energy Operating and Saka Energi Fasken negotiate development deal for Eagle Shale Ford properties

Meanwhile, Latham lawyers in Houston also helped Houston-based Swift Energy Co. negotiate definitive agreements with Indonesia company PT Saka Energi Indonesia to fully develop about 8,300 acres of Fasken area Eagle Ford Shale properties that Swift owns in Webb County.

Saka turned to lawyers from Jones Day.

The agreement between Saka Energi Fasken, PT Saka's U.S. subsidiary, and Swift Energy Operating (Swift Energy), a subsidiary of Swift Energy Co., was announced on May 6. It is expected to close around June 30, subject to normal closing conditions, and would be effective Jan. 1.

The investment is the first by an Indonesian state-owned company into U.S. shale.

The agreements call for Saka to pay Swift Energy \$175 million in cash for a 36 percent full participating interest in Swift Energy's Fasken properties. Swift Energy will continue to be the operator of

the properties.

The Latham team for Swift was led by Houston partner Michael Darden, with assistance from associate Stefanie Vincent. Also, tax partner Fenn and associate Cole did tax work, and partner Edward Shapiro and associate Seth Gilmore, both of Washington, D.C., handled CIFIUS (Committee on Foreign Investment in the United States) matters.

Maria Tan Pedersen, a projects partner in Hong Kong, and energy partner Scott Schwind of Houston led the Jones Day team representing Saka. Others include energy associates David Stringer and Alexandra Wilde, both of Houston; tax partner Todd Wallace and associate Louis Jenull, both of Dallas; projects associate Cynthia Tan and energy associate Ostiane Goh-Livorness, both of Hong Kong; government regulation partners Kenneth Nunnenkamp and Giovanna Cinelli and associate Chad Dorr, all of Washington, D.C.; and new lawyers group associates Ahmed Sidik and Kit Rockhill and business and tort litigation associates Nicole Perry and Christopher Domingo, all of Houston. 