



LARRY VESELKA

FOUNDING PARTNER

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BIOGRAPHY

Since 1976, Mr. Veselka has been actively engaged in trying some eighty-plus jury trials and a similar number of bench trials and administrative proceedings across Texas, and in Arkansas, Colorado, California, Illinois, Louisiana, Pennsylvania, Nevada, New York, Oklahoma, Wyoming, and Washington, D.C.

In addition, Mr. Veselka has briefed and/or argued sixty-plus appellate matters before various Texas Courts of Appeals, the Texas Supreme Court, the Wyoming Supreme Court, and the U.S. Court of Appeals for the Fifth Circuit, Tenth, Eleventh and D.C. Circuits.

Starting out primarily handling oil and gas litigation and energy regulatory proceedings, and returning to that practice cyclically ever since, he has handled numerous securities, contract, fraud, RICO, and business tort cases, mostly for clients in the energy industry. Since the revolutionary development of the shale production in Texas ten years ago, he has again focused mostly on oil and gas trials, arbitrations, and regulatory proceedings.

Along the way, he has advised both insureds and insurers on coverage issues and has successfully tried claims for coverage and bad faith. Mr. Veselka has both prosecuted and defended securities and consumer class actions, as well as shareholder derivative matters.

Besides the complex civil cases which predominated in the early years of his practice, since the late 1980's Mr. Veselka has handled white-collar criminal matters at the grand jury, pre-trial, trial and appellate stages as well as SEC investigations and prosecutions.

PRACTICE AREAS

commercial disputes
energy and oil & gas
white collar

EDUCATION

yale university, b.a. economics,
1973

university of texas law school,
j.d., 1976



Mr. Veselka served full-time as Administrative Assistant to Lt. Governor Bill Hobby while attending law school full-time. After graduation, he joined the firm of Vinson & Elkins, LLP, working in their Houston and Washington D.C. offices and is licensed in both Texas and the District of Columbia. He made partner at Vinson & Elkins in 1984. In 1985, he was appointed Regent of Texas Southern University by the Texas Governor and served in that position for six years. Mr. Veselka joined Craig Smyser and Lee Kaplan to form Smyser Kaplan & Veselka, L.L.P., where he continues to win significant victories in trial and on appeal. He has been named a Texas "Super Lawyer" each year since 2005, a "Local Litigation Star" by *Benchmark Litigation* each year since 2013, and a "Litigation Star" by *Benchmark Appellate* in 2013.

Mr. Veselka remains active in the civic and legal communities and is a member of the Houston chapter of the American Board of Trial Advocates, and the American Bar Association's Litigation and Criminal Justice Sections. He is a Texas Bar Foundation Sustaining Life Fellow and a Houston Bar Foundation Fellow, and a former member and one of the founders of the Houston Lawyer Chapter of the American Constitution Society. Happily married since 1973, Mr. Veselka has two married children and two grandsons. He remains an active member of St. Luke's United Methodist Church, often teaching Sunday school class.

REPRESENTATIVE MATTERS

Petty Business Enterprises, L.P. vs. Chesapeake Exploration, LLC et al.

- In 2020, Mr. Veselka brought claims for his client, a large family-owned ranch in the South Texas Eagle Ford, against Chesapeake and co-lessees for their underpaying royalties due for the third time in less than ten years. Originally filed in state court, the matter was removed to Bankruptcy Court after Chesapeake filed for Chapter 11 protection in June 2020. The matter was tried in May 2021. The Bankruptcy Court's memorandum opinion in September 2021 would have entitled Petty to more than \$10 million depending on the amount of fees awarded by the Court. The matter was settled confidentially.

DJH Minerals vs. Sanchez Energy n/k/a Mesquite Energy

- In August 2021, Mr. Veselka's client, a 50% owner of a 100,000 acre Eagle Ford ranch settled its claims for unpaid royalties due from Mesquite on the Saturday before the jury trial was to start on Monday.

Dragging S, et al vs. Apache Exploration



- In 2019, Mr. Veselka's clients, four different parts of a family from both Texas and Montana resolved a eight figure claim for additional revenue they claimed Apache owed them for production from their lease in Irion County, Texas.

[Confidential]

- In 2019, a former lessee of property in the Permian Basin, initiated an arbitration against Mr. Veselka's regular client, and the successor lessee. After a one-week trial, the panel awarded the Plaintiff no relief.

Enduring v. Big Lake Gas

- Enduring Resources acquired oil and gas assets in the Permian Basin in 2011. In 2012, Big Lake Gas Plant asserted that these assets were subject to a Right of First Refusal ("ROFR") in a terminated gas purchasing contract between Big Lake and Enduring's predecessors. In 2014, American Energy-Permian Basin (now Sable Resources) acquired Enduring's interest in this acreage. Big Lake sued Enduring, Sable and others, alleging that Enduring and Sable breached the ROFR by failing to deliver all gas to the Big Lake, seeking damages up to \$12 million and, alternatively, specific performance. Enduring Resources denied that a valid ROFR existed and that Big Lake's exercise of it was effective. A Confidential settlement was reached in December 2016.

Enduring v. AEPB

- Enduring sold its Permian Basin oil shale play to a unit of American Energy-Permian Basin for \$2.5 billion. When American Energy did not pay the approximately \$25 million post-closing purchase price adjustment as calculated by Enduring, Enduring sued to collect the \$25 million in February 2015. American Energy counterclaimed for \$150-178 million. A Confidential settlement was reached in April 2016.

Somers ex. Rel. EGL, Inc. v. Crane

- Mr. Veselka defended the members of a special committee of the Board of Directors in direct and derivative claims brought by shareholders when the CEO made an offer to take the public company private. The trial court dismissed both the direct class and derivative claims, allowing a \$2 billion offer to take the company private and paying the shareholders \$47.50 per share when the first bid was \$36.00 per share. With Mr. Veselka and other SKV partners handling the briefing and argument, the ruling was affirmed by the First Court of Appeals and the Texas Supreme Court denied review. The ruling clarified important questions of Texas law on shareholder



litigation.

United States of America v. Jack Stanley

- Mr. Veselka represented Mr. Stanley, the former chairman of KBR, in the FCPA prosecution regarding the award of the engineering, design, and construction contract for the Bonny Island LNG project in Nigeria. Mr. Stanley was the first cooperator in a prosecution that led to multiple felony guilty pleas, deferred prosecution agreements, and fines or restitution approaching \$1.7 billion dollars for multiple multinational corporations and individuals. After pleading guilty under an agreement to serve seven years, SKV convinced the Court to give him the benefit of his cooperation and other factors in reducing the sentence to only 30 months.

Hosford, et al. v. Stroud Production, LLC, et al

- In 2014, Mr. Veselka with Partner Land Murphy prevailed in the Texas Supreme Court in a closely-watched oil and gas dispute. The litigation arose out of an oil and gas lease termination in the High Island Field in Galveston County in 2004. The plaintiffs owned overriding royalty interests in the lease and argued that they were injured when the lease terminated for lack of production, extinguishing their overriding royalty interests. The Supreme Court's denial of the plaintiffs' petition for review kept in place the First Court of Appeals' opinion that Mr. Veselka's clients owed no duty to the plaintiffs and reversed a judgment entered by the District Court against Stroud Production LLC, et al. Plaintiffs were asserting claims unrecognized in Texas and which would have disrupted well-established concepts of Texas oil and gas law.

ADDITIONAL REPRESENTATIVE MATTERS

- Mr. Veselka represented former head of exploration and production for a Fortune 500 energy corporation in a four-year criminal/civil/regulatory investigation and litigation arising from the corporation's \$1 billion write-down of reserves. The federal criminal investigation resulted in no indictments. The civil class action shareholder and derivative cases settled with no contribution by our client. The SEC case settled with a consent decree neither admitting nor denying charges but with SEC agreement to allege only claims based on negligent conduct and not fraud.
- Obtained dismissal of a multimillion dollar securities class action in federal district court and a related derivative action in state district court for the same publicly traded healthcare company. The class action plaintiffs ultimately dismissed their appeal of the class action dismissal two weeks



before the argument before the U. S. Court of Appeals for the Fifth Circuit.

- Successfully obtained a resolution by deferred prosecution agreement in Department of Justice investigation of alleged Lanham Act violations in U.S. District Court in Portland, Oregon.
- Obtained successful summary judgment for NL Industries, dismissing case seeking tens of millions of dollars in remediation of lead paint in school district buildings. SKV got the summary judgment affirmed by the Court of Appeals. The basis of summary judgment – lack of proof of causation – led to voluntary dismissals of four other cases around Texas in addition to two other cases in Harris County.
- In 2019, Mr. Veselka’s clients, four different parts of a family from both Texas and Montana, resolved an eight-figure claim for additional revenue they claimed Apache owed them for production from their lease in Irion County, Texas.
- In 2019, a former lessee of property in the Permian Basin initiated an arbitration seeking hundreds of millions of dollars against Mr. Veselka’s regular client, and the successor lessee. After a one-week trial, the panel awarded the Plaintiff no relief.
- Obtained successful summary judgment for NL Industries, dismissing case seeking tens of millions of dollars for remediation of lead paint in school district buildings. SKV got the summary judgment affirmed by the Court of Appeals. The basis of the summary judgment – lack of proof of causation – led to voluntary dismissals of four other cases around Texas in addition to two other cases in Harris County.

ASSOCIATIONS

- American Bar Association, Litigation and Criminal Justice Sections Member
- American Board of Trial Advocates, Houston Chapter
- American Leadership Forum
- Houston Bar Foundation Fellow
- Houston Bar Association, Federal Practice, Litigation, and Oil, Gas & Minerals Sections Member
- Houston Lawyer Chapter of the American Constitution Society, Past member and one of the founders
- Leadership Houston, Alumnus
- State Bar of Texas, Antitrust and Business Litigation, Criminal Justice, Litigation Section, and Oil & Gas Energy Resources Law
- Texas Bar Foundation Sustaining Life Fellow
- Twice appointed by the United States District Court for the Southern District of Texas to serve on the Merit Selection Panel for Magistrate Judges



ADMISSIONS

- State Bar of Texas
- District of Columbia Bar
- United States Supreme Court
- United States Court of Appeals for the Fifth Circuit
- United States Court of Appeals for the Eleventh Circuit
- United States Court of Appeals for the District of Columbia Circuit
- United States Court for the District of Columbia
- United States District Court for the Southern, Northern, Eastern, and Western Districts of Texas