

The Supreme Court of the State of Louisiana

STEVE CROOKS, ET AL.

No. 2024-C-00432

VS.

STATE OF LOUISIANA, DEPARTMENT
OF NATURAL RESOURCES

IN RE: Dennis Breland, et al. - Applicant Plaintiff; Applying For Writ Of Certiorari,
Parish of Rapides, 9th Judicial District Court Number(s) 224,262, Court of Appeal,
Third Circuit, Number(s) 23-478;

June 25, 2024

Writ application granted. See per curiam.

JDH
SJC
JTG
WJC
JBM
PDG

Weimer, C.J., would grant and docket.

Supreme Court of Louisiana
June 25, 2024

Katie Marjanovic
Chief Deputy Clerk of Court
For the Court

SUPREME COURT OF LOUISIANA

No. 2024-C-00432

STEVE CROOKS, ET AL.

VS.

STATE OF LOUISIANA, DEPARTMENT OF NATURAL RESOURCES

On Writ of Certiorari to the Court of Appeal, Third Circuit, Parish of Rapides

PER CURIAM

Writ granted. Following the 2015 bench trial in this class action litigation, the district court issued written reasons for judgment, rendering judgment in favor of the class. Specifically, the district court recognized the class members as the owners of certain property, and that the class was entitled to damages in the amount of \$42,990,548.08, comprised of \$38,296,238.70 in expropriation damages, and \$4,694,309.68 in past oil and gas royalty payments collected by the State, with judicial interest thereon from the date of judicial demand until paid. The reasons for judgment also cast the State to pay all court costs associated with the case, including attorneys’ fees and plaintiffs’ expert witness fees; the court reserved the issue of fixing those amounts for determination after a post-trial contradictory hearing.¹ In separate written reasons for judgment on those issues, the district court found that “a correct application of the appropriate factors in the instant matter dictates the court’s conclusion that an award of one-third of the total recovery including interest is eminently reasonable and consistent with the contingency fee agreement in this case.” As such, based on a total award of \$66,227,531.45,² the district court awarded

¹ The parties ultimately waived a contradictory hearing on the cost issue and submitted the matter on the record, written argument, and supporting documentation.

² The total amount of the judgement (\$42,990,548.08) with interest through the date of the trial amounted to \$66,227,531.45.

the class \$22,075,843.82 in attorneys' fees.³ Thereafter, on May 17, 2017, a written judgment was executed that incorporated the court's rulings on the merits of plaintiffs' claims, as well as its awards of attorneys' fees and other litigation costs. On appeal, however, this court found the inverse condemnation claims prescribed and therefore reversed the award of expropriation damages, resulting in a significant reduction of plaintiffs' recovery.⁴ **Crooks v. Dept. of Natural Resources**, 19-0160 (La. 1/29/20), 340 So.3d 574, opinion corrected on r'hing, (La. 4/9/20).

Following this court's ruling, some of the class members retained separate counsel and filed a motion, seeking a reduction of the attorneys' fees proportionate with the reduction of their overall recovery. However, finding that *res judicata* applies and prevents revisiting the attorneys' fees awarded in the May 17, 2017 final judgment, the lower courts denied applicants' motion. In so ruling, the court of appeal found that the parties involved in the current motion were involved in the prior litigation of the matter, and therefore the parties involved are the same, thereby satisfying that requisite element of *res judicata*. It is noted that the issue of fixing the amount of attorneys' fees was reserved by the district court for determination separately, after the trial, and that the issue presented herein did not arise until after this court's reversal of the lion's share of plaintiffs' recovery. As it stands, the class is liable for \$22,075,843.82 in attorneys' fees although they ultimately only recovered damages in the amount of \$4,694,309.68, plus interest, derived from past due mineral royalties.⁵

³ The attorneys' fee award of \$22,075,843.82 equates to exactly 1/3 of the total damages with interest.

⁴ The LASC's decision decreased the total pre-interest award from \$42,990,548.08 to \$4,694,309.68.

⁵ Plaintiffs also obtained judgment recognizing their ownership of the real property involved. The trial judge originally allocated damages 75% to the inverse condemnation claims and 25% to the royalties/ownership issue.

As the district court correctly noted in its reasons for judgment, “[r]easonableness is the touchstone for the amount of the award of attorney fees,” pursuant to Rule 1.5(a) of the Rules of Professional Conduct. It is further noted that LSA-C.C. art. 595(A) states as follows:

The court may allow the representative parties their reasonable expenses of litigation, including attorney's fees, when as a result of the class action a fund is made available, or a recovery or compromise is had which is beneficial, to the class.

As such, in light of the significant reduction in the overall damages ultimately awarded to the class in this case, this matter is remanded to the district court for a hearing to determine a reasonable attorney fee, pursuant to LSA-C.C. art. 595.

WRIT GRANTED; REMANDED.