

PUBLICATION

Landowner Awarded Percentage of Pipeline Company Profits

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In *Aertker v. Placid Holding Co.*, 2012 WL 4472002 (M.D.La. Sept. 27, 2012), Placid Refining Company was found liable to a group of landowners for bad faith trespass for a pipeline installed in the early 1980s.

Placid's agent obtained a right-of-way agreement from the mineral lessee only, and not the landowners. At the time the right-of-way was granted, the assessor's ownership map showed that the land was owned by the Aertker family, and was burdened by a ninety-nine year lease to Louisiana-Pacific Corp. The court concluded that Placid was a bad-faith trespasser who knew or reasonably should have known that it did not have the landowners' permission. The court further concluded that the landowners have a cause of action for continuous trespass (and thus the claim did not prescribe). The court determined that Placid had earned \$148,926,000 in profit during the relevant time period. The court then determined the percentage of the Placid assets that could be attributed to the right-of-way on an annual basis, and awarded the landowners \$96,145.33 plus interest from the date of judicial demand.