

## Energy Group Of The Year: Vinson & Elkins

By **Michelle Casady**

*Law360, Houston (January 19, 2018, 5:28 PM EST)* -- Vinson & Elkins LLP's attorneys in 2017 handled 74 energy mergers and acquisitions deals valued at more than \$104 billion and also notched victories before the Texas Supreme Court on behalf of pipeline company Denbury Green and Oncor Electric Delivery Co., earning it a place among Law360's Energy Groups of the Year for the eighth consecutive year.

James D. Thompson III, the firm's global head of litigation, told Law360 there are several reasons why Vinson & Elkins — which employs more than 700 attorneys, about 70 percent of whom practice in the energy sector across all 16 of its offices worldwide — has earned a spot on the list year after year.

"We've been deeply steeped in the energy industry from the inception of the firm," he said. "Since 1917 we've represented small, independent and major integrated oil companies both on the corporate and litigation side. We've been very purposeful in focusing on the energy industry, even to the point where, myself included, many of us have worked in the industry."

The Delaware Supreme Court in March sided with Vinson & Elkins attorneys who represented Energy Transfer Equity, affirming a lower court's ruling that ETE had a right to terminate a proposed \$38 billion merger with The Williams Cos.

And in January 2017, the firm notched a victory at the Texas Supreme Court after successfully arguing that pipeline company Denbury Green Pipeline-Texas LLC established it has the right to take private property through eminent domain. The state high court found Denbury qualified as a "common carrier" as a matter of law, giving it the right to use eminent domain, because it showed — through evidence of post-construction contracts to carry gas for third parties — a reasonable probability that it would serve the public.

Thompson said the ETE and Denbury cases were among the most high-profile work the firm did in 2017, characterizing the Denbury suit as one watched by the entire midstream energy industry.

"[The ETE] case is a great example of what we really pride ourselves on at Vinson & Elkins, and that is collaboration among our practice groups and our offices," he said, explaining that trial lawyers from four



offices worked the case. "That sort of underscores what makes us great, which is our willingness to work together across all practice groups, all offices, to achieve the result our client needs."

Also in January 2017, the Texas Supreme Court sided with Vinson & Elkins attorneys who argued on behalf of Oncor Electric Delivery Co. in an electric rate dispute with the Public Utility Commission of Texas. In that case, the court held the utility can charge ratepayers for federal income taxes and municipal franchise fees, and ended a 20 percent discount for state colleges.

In May, a Colorado federal jury awarded Antero Resources Corp. \$60 million after Vinson & Elkins attorneys argued that South Jersey Gas Co. and an affiliate breached the terms of natural gas contracts by unilaterally changing the price they had paid. Thompson tried the case and said it was among the "highlights" of the firm's accomplishments in 2017.

"The \$60 million in damages only related to past damages," he said, explaining client Antero will now be able to enforce them in the future. "Those contracts will go on for many, many, many years."

In transactional matters, the firm advised Sunoco Logistics Partners in its \$20 billion merger with Energy Transfer Partners, closing the deal in April. And in June, the firm advised Rice Energy in its signing of a \$6.7 billion definitive merger agreement with EQT Corp., creating the largest domestic natural gas producer in the country.

Vinson & Elkins advised energy giant BP America in its master limited partnership initial public offering, which was filed in September, and it also advised the underwriters to Silver Run Acquisition Corp. II in its \$1 billion IPO, which closed in March.

Matt Strock, co-head of the firm's mergers and acquisitions and capital markets practice, said the volume and value of transactional work the firm took on in 2017 is the result of a strategic decision that firm leadership made about a decade ago to "really focus on private equity" in the energy space.

"We are definitely very focused on maintaining our dominant position in the energy space but we're also focused on expanding into other markets to leverage the capital markets M&A experience we have that we've largely gotten through our work in the energy sector," he said. "I'm proud of the role we serve in the energy space ... and we are committed to continuing to be that kind of dominant force in the energy sector."

--Additional reporting by Jess Krochtengel. Juan Carlos Rodriguez, Jeff Montgomery and Michael Phillis. Editing by Catherine Sum.