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Eagle Ford royalty dispute between mother and son ends in \$3.5M jury verdict



In a \$3.5 million verdict, jurors in Atascosa County sided with an elderly woman who sued her son over oil field royalty payments.

BY SERGIO CHAPA
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A dispute between a mother and son over oil field royalties ended in a \$3.5 million jury verdict in the Eagle Ford Shale just south of San Antonio.

Jurors in Atascosa County sided with 84-year-old Mary Lou Hensarling over her 61-year-old son, John Arthur Hensarling, following a four-day trial that ended May 18. Jurors ordered the son to pay his mother \$3.5 million in damages and attorney fees.

In a lawsuit filed in November 2015, Mary Lou Hensarling alleged that her son committed real estate fraud and cheated her out of nearly \$800,000 in royalties for oil wells and pipeline infrastructure on 376 acres across three properties.

Mary Lou Hensarling inherited the properties after her husband died in 1992. John Arthur Hensarling set up a family corporation the following year and convinced his mother to transfer the deeds in September 1999, according to the lawsuit. However, the plaintiff claimed that her son did not disclose that the charter for the family corporation was forfeited by the Texas Secretary of State seven months before she deeded the lands over.

Mary Lou Hensarling suffered a stroke in 2001 and was in a coma for three

months. John Arthur Hensarling received power of attorney for his mother and promised to handle her business affairs in her interest.

But just as the Eagle Ford Shale oil boom was beginning in 2009, Mary Lou Hensarling alleged that her son deeded the lands to himself and without her knowledge, put the land into production through oil well and pipeline deals and kept the money. She claims that she learned about his actions after being locked out of the properties in 2014. She claimed her son burned more than two dozen boxes filled with documents in his backyard in an attempt to conceal his actions.

The mother's attorney, Corey Wehmeyer with San Antonio-based law firm Santoyo Moore Wehmeyer P.C., told the Business Journal that the verdict was appropriate.

"This was a classic case of greed and abuse of the elderly, which the jury punished in their exemplary damages award," Wehmeyer said. "Hopefully, this trial and verdict will serve as a deterrent to similar abuses in the Eagle Ford Shale."

John Arthur Hensarling plans to appeal, said his attorney, Jeffrey Akins.

"This is fundamentally a will interpretation case, and we will see how the court of appeals interprets the will in question," Akins told the Business Journal