

Energy Company Back Royalty Payments/Chapter 11 Bankruptcy Protection

Represented an energy company that leased significant natural gas rights to another energy company that filed for Chapter 11 bankruptcy protection. At stake was almost \$2 million in back royalty payments under the lease. The court held that under Michigan law, the oil and gas lease was indeed a lease under the Bankruptcy Code, entitling the client to all past due royalty payments before the debtor could continue extracting natural gas.