GLORIA’S RANCH, L.L.C. : NUMBER: 541,768, “B”

VERSUS : FIRST JUDICIAL DISTRICT COURT

TAUREN EXPLORATION, INC.

CUBIC ENERGY, INC., WELLS

FARGO ENERGY CAPITAL, INC.

AND EXCO USA ASSET, LLC : CADDO PARISH, LOUISIANA

**RULING ON PLAINTIFF’S MOTIONS TO COMPEL**

The Court has thoroughly considered the following: (1) Plaintiff’s Motion to Compel Production of Documents and Rule to Show Cause filed November 8, 2010 as to defendants, Tauren Energy, Inc. (Tauren) and Cubic Energy, Inc. (Cubic); and (2) Plaintiff’s Motion to Compel Production of Documents and Rule to Show Cause filed November 29, 2010 as to defendant, EXCO Operating Company, LP (EXCO). The oppositions filed by EXCO, dated December 30, 2010, and the (unfiled and undated) opposition by Tauren and Cubic have been reviewed, as well as the oral arguments of counsel, held February 28, 2011, and the post hearing briefs of EXCO, Tauren and Cubic, and Gloria’s Ranch, presented March 1, 2011.

The documents, which Gloria’s Ranch has requested and defendants have objected to, include invoices, internal files covering the disputed wells, the Purchase and Sale Agreement (PSA) and electronic communications relating to the lease. In addition to these documents, Gloria’s Ranch has requested access to the defendants’ computers in order to inspect any electronically stored information. While maintaining the objection that plaintiff’s document requests are overbroad, unduly burdensome, and seek confidential or proprietary information, Tauren, Cubic and EXCO have agreed to production of many of the requested documents.

A “useful protective order” has been requested, and will be granted, to maintain the confidential nature of many of the documents. Any requested items which Tauren, Cubic or EXCO deem privileged should be appropriately enumerated in a privilege log and in the event of an objection by plaintiff, the Court will then address the confidentiality of any such items. Therefore, the plaintiff’s Motion to Compel is granted as to any documents not specifically excluded by this ruling.

Defendants maintain their objection and refusal to produce the PSA between Tauren and EXCO. The PSA contemplates a conveyance of rights which is much more extensive than those held by Tauren over the property owned and leased by Gloria’s Ranch, which is the subject of this suit. The release of this information, including land files, title opinions, production files and purchase rights on other properties, would place Tauren and EXCO at a competitive disadvantage in future transactions. Upon the showing made at this stage in the current litigation, the information contained in the PSA has little or no bearing on the merits of plaintiff’s case and production of the PSA is therefore denied.

Defendants further maintain their objection to and refusal to allow plaintiffs access to their computers in order to inspect any electronically stored information. The information sought to be recovered from these computer systems has not been specified by plaintiffs. This Court cannot allow an open-ended search through defendants’ computer systems, with no limitations as to the information sought. Upon the showing made at this stage in the litigation, access to the defendants’ computer systems is denied.

At this early stage in discovery and litigation, the Court seeks to have a generous discovery and flow of information while still protecting the defendants from the public disclosure of any confidential or proprietary information. Counsel shall cooperate with one another and fully comply with both the letter and spirit of the discovery provisions of the Louisiana Code of Civil Procedure.

Accordingly, the plaintiff’s motions are granted in part and denied in part. Costs shall be borne equally between the sides.

Signed this 4th day of March 2011 in Shreveport, Caddo Parish, Louisiana.

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

SCOTT J. CRICHTON

DISTRICT JUDGE

DISTRIBUTION:

Guy E. Wall, Counsel for Gloria’s Ranch, L.L.C.

Kevin Hammond, Counsel for Tauren Exploration, Inc. and Cubic Energy, Inc.

Leland G. Horton, Counsel for EXCO Operating Company, L.P.

F. John Reeks, Counsel for EXCO Operating Company, L.P.