

District Court, Weld County, Colorado 901 9 th Avenue P.O. Box 2038 Greeley, CO 80632-2038	DATE FILED: October 18, 2017 3:18 PM FILING ID: CAAE09A49EA19 CASE NUMBER: 2017CV30853
Plaintiff: Principle Energy, LLC, a Louisiana limited liability company Defendants: Wolfhawk Energy Holdings, LLC, d/b/a Ferrari Energy, a Colorado limited liability company, and [REDACTED]	
Scott M. Campbell, Atty. Reg. #24496 POULSON, ODELL & PETERSON, LLC 1775 Sherman Street, Suite 1400 [REDACTED]	<p style="text-align: center;">▲ COURT USE ONLY ▲</p> Case Number: Division:
COMPLAINT AND JURY DEMAND	

COMES NOW Plaintiff, Principle Energy, LLC, by and through its counsel of record, Poulson, Odell & Peterson, LLC, and files its Complaint and Jury Demand against the Defendants, Wolfhawk Energy Holdings, LLC, a Colorado limited liability company, and [REDACTED]. Plaintiff states and alleges as follows:

PARTIES

1. Plaintiff, Principle Energy, LLC (“Principle”), is a Louisiana limited liability company with its principal place of business at 11000 Richmond Ave., Ste. 100, Houston, Texas 77042.
2. Defendant, Wolfhawk Energy Holdings, d/b/a Ferrari Energy, (“Wolfhawk”) is a Delaware limited liability company, whose principle place of business is 1800 Glenarm Pl., Ste 701, Denver, Colorado 80202.

3. Defendant, [REDACTED] is an Arizona citizen, whose residence is [REDACTED]

JURISDICTION AND VENUE

4. This Court has subject matter jurisdiction. CONST. COLO. ART. VI, § 9.

5. This dispute concerns oil and gas interests located in the State of Colorado, Weld County. Venue in this Court is proper pursuant to COLO. R. CIV. P. 98(a).

6. This Court has personal jurisdiction over the Defendants. COLO. REV. STAT. § 13-1-124 (2017).

INTRODUCTION

7. Principle Energy, LLC, is an American company specializing in the acquisition of producing and non-producing mineral and royalty interests throughout the United States. This lawsuit arises from the Defendants' intentional, willful, and wanton conduct in breaching, interfering with, and preventing performance of, an agreement by Defendant [REDACTED] to convey certain mineral interests located within Weld County, Colorado, to Plaintiff, Principle. This breach and interference was the product of a concerted effort and meeting of the minds between the Defendants. This interference is a breach of the agreement, and tortious interference with the contract.

GENERAL ALLEGATIONS

8. The minerals at issue are located in Weld County, Colorado, to wit:

Township 6 North, Range 66 West, 6th P.M.

Section 20: E $\frac{1}{2}$ of SW $\frac{1}{4}$ - approximately 4.5 net mineral acres

Section 29: E $\frac{1}{2}$ of SW $\frac{1}{4}$ - approximately 2.67 net mineral acres

Section 29: W $\frac{1}{2}$ of SE $\frac{1}{4}$ – approximately 2.52 net mineral acres

Comprising approximately 9.69 net mineral acres

(the "Subject Minerals").

9. Defendant [REDACTED] owns the Subject Minerals.

10. On or about June 20, 2017, Principle e-mailed [REDACTED] a Letter of Intent offering to purchase the [REDACTED] interest in the Subject Minerals, for \$121,000.00 (One Hundred Twenty One Thousand Dollars, and No Cents). On or about June 21, 2017, Principle received the Letter of Intent, signed by Defendant [REDACTED] on June 20, 2017.

11. On the same day, Principle executed and recorded a Notice of Letter Agreement under Reception No. 4312157 of the records of the Weld County Clerk and Recorder, Colorado, to provide notice that Principle and Defendant [REDACTED] had entered into an agreement in which Principle was granted the exclusive right to acquire the Subject Minerals.

12. Pursuant to the terms of the executed Letter of Intent, Principle prepared a Mineral Deed and the associated documentation and paperwork.

13. On or about June 22, 2017, Principle mailed via Federal Express to Defendant [REDACTED] a Mineral Deed covering the Subject Minerals and separate interests not at issue here, Principle also mailed a Draft in the amount of \$140,999.54 (One Hundred Forty Thousand, Nine Hundred Ninety-Nine Dollars, and Fifty-Four Cents) payable to the order of Defendant [REDACTED]. The Draft noted it was payable within 60 banking days of receipt by the receiving bank, and upon verification by Principle of Defendant [REDACTED] title to the Subject Minerals.

14. The Draft contained the full agreed upon purchase price for the Subject Minerals and additional funds for a separate conveyance.

15. Upon information and belief, on or about June 29, 2017 Defendant [REDACTED] submitted the Draft to a Chase Bank located in Arizona. [REDACTED] called Principle while at Chase Bank. [REDACTED] informed Principle that Chase Bank was declining to accept the Draft. Upon information and belief, Chase Bank either erroneously believed the Draft was illegitimate, or that Chase Bank could not accept the Draft in the State of Arizona.

16. Later that day, Defendant [REDACTED] informed Principle in a telephone call that she was refusing to accept the Draft as a valid form of consideration. Principle verbally offered to instead send an Order of Payment. Defendant [REDACTED] verbally agreed.

17. On or about June 30, 2017, Principle sent the Order for Payment to Defendant, [REDACTED] via email.

18. On or about July 21, 2017, Defendant [REDACTED] executed and delivered a Mineral and Royalty Deed to Defendant Wolfhawk, dated effective April 1, 2017 and subsequently recorded on August 21, 2017 under Reception No. 4328891 of the records of the Weld County Clerk and Recorder, CO, conveying all of Defendant [REDACTED] right, title and interest in and to all oil, gas and other minerals in and under certain lands more particularly described therein ("Wolfhawk Mineral Deed"). The lands described in the Wolfhawk Mineral Deed include the same lands in which the Subject Minerals are situated.

19. On or about July 24, 2017, Principle received a hand written letter dated July 21, 2017 from Defendant, [REDACTED] stating she "had decided not to work with your company. Please remove the notice that Principle file [sic] with the assessor's site."

20. Plaintiff has performed or complied fully with all contractual rights and obligations and/or conditions precedent to the maintenance of this action.

CLAIMS FOR RELIEF

FIRST CLAIM FOR RELIEF
(DECLARATORY JUDGMENT PURSUANT TO
C.R.S. § 13-51-101, ET SEQ. AND C.R.C.P. 57
ALL DEFENDANTS)

21. Plaintiff incorporates by reference, as if fully restated herein, all allegations of Paragraph Nos. 1 through 20 and all numbered and unnumbered subparts thereof, to the extent such allegations support and are consistent with the claims made and relief sought herein.

22. An actual, real and immediate case or controversy exists between Principle Energy and Defendant(s).

23. The June 20, 2017 Letter of Intent is a valid and enforceable contractual agreement to convey the Subject Minerals to Principle.

24. The June 20, 2017 Letter of Intent, signed by Defendant [REDACTED] specifically identifies the Subject Minerals and the amount of consideration to be paid for the Subject Minerals.

25. Principle tendered consideration as required under the Letter of Intent in the form of a Draft in an amount that included the \$121,000.00 (One Hundred Twenty One Thousand Dollars, and No Cents) agreed upon in the Letter of Intent for the Subject Minerals.

26. The subsequent course of performance by Principle and Defendant [REDACTED] created a binding and enforceable contract requiring [REDACTED] to convey the Subject Minerals to Principle upon tender by Principle of the agreed upon consideration, pursuant to the terms of the Letter of Intent.

27. Defendant [REDACTED] has refused to comply with the contract.

28. By virtue of the Defendant [REDACTED] failure to honor the contract, Principle has been denied the agreed upon Subject Minerals.

29. Principle will also be harmed by lost profits from development and production of the Subject Minerals.

30. Principle therefore respectfully requests this Court enter an order, judgment, and decree that completely adjudicates all of the rights, legal status, relations and obligations of all parties to this action with respect to the agreement. Plaintiff requests a specific declaration that the June 20, 2017 Letter of Intent is a valid, binding, and enforceable contract between Principle and Defendant [REDACTED] and such other relief in law or equity to which Principle is or may be entitled.

SECOND CLAIM FOR RELIEF
(SPECIFIC PERFORMANCE OF LETTER OF INTENT, [REDACTED])

31. Plaintiff incorporates by reference, as if fully restated herein, all allegations of Paragraph Nos. 1 through 30 and all numbered and unnumbered subparts thereof, to the extent such allegations support and are consistent with the claims made and relief sought herein.

32. Principle and Defendant [REDACTED] are parties to the June 20, 2017 Letter of Intent

33. The terms and conditions of the parties' agreement are reasonable, definite, unambiguous, and enforceable.

34. Defendant [REDACTED] has materially breached the agreement by stating she will not comply with the agreement, and further by conveying the Subject Minerals to Defendant Wolfhawk.

35. Principle has no adequate remedy at law. Principle's real property interests in the Subject Minerals will be substantially impaired or terminated as a result of Defendants' actions, and damages may be difficult to calculate or might be too speculative.

36. Principle therefore requests this Court enter an order, judgment, and decree requiring Defendant, [REDACTED] to convey the Subject Minerals to Principle, and such other relief in law or equity to which Principle is or may be entitled.

THIRD CLAIM FOR RELIEF
(BREACH OF CONTRACT, [REDACTED])

37. Plaintiff incorporates by reference, as if fully restated herein, all allegations of Paragraph Nos. 1 through 36 and all numbered and unnumbered subparts thereof, to the extent such allegations support and are consistent with the claims made and relief sought herein.

38. Principle and Defendant [REDACTED] are parties to the June 20, 2017 Letter of Intent.

39. The agreement is a binding contract.

40. Defendant [REDACTED] has breached the agreement.

41. That breach has caused or will cause damages to Principle measured by the value of the Subject Minerals, including but not limited to the value of any hydrocarbon reserves attributable to the Subject Minerals.

42. Principle therefore requests this Court enter an order, judgment, and decree awarding Principle as damages that value of the Subject Minerals, including but not limited to the value of all hydrocarbon reserves attributable to the Subject Minerals, and such other relief in law or equity to which Principle is or may be entitled.

FOURTH CLAIM FOR RELIEF
(PROMISSORY ESTOPPEL, [REDACTED])

43. Plaintiff incorporates by reference, as if fully restated herein, all allegations of Paragraph Nos. 1 through 42 and all numbered and unnumbered subparts thereof, to the extent such allegations support and are consistent with the claims made and relief sought herein.

44. Defendant [REDACTED] knew or should have known that [REDACTED] agreement to sell the Subject Minerals would cause or induce Principle to invest time and money necessary to effectuate the agreed upon transaction, including time and money to conduct title due diligence and to prepare the necessary documents.

45. Principle reasonably relied on Defendant [REDACTED] promise to sell the Subject Minerals for the stated price.

46. To prevent enforcement of the agreement to convey the Subject Minerals would work as a manifest injustice to Principle.

47. Principle therefore requests this Court enter an order, judgment, and decree requiring Defendant [REDACTED] to convey the Subject Minerals to Principle, and such other relief in law or equity to which Principle is or may be entitled.

FIFTH CLAIM FOR RELIEF
(DECLARATORY JUDGMENT PURSUANT TO
C.R.S. § 13-51-101, ET SEQ. AND C.R.C.P. 57, ALL DEFENDANTS)

48. Plaintiff incorporates by reference, as if fully restated herein, all allegations of Paragraph Nos. 1 through 47 and all numbered and unnumbered subparts thereof, to the extent such allegations support and are consistent with the claims made and relief sought herein.

49. An actual, real and immediate case or controversy exists between Principle Energy and Defendant(s).

50. Upon information and belief, Defendant Wolfhawk had actual notice of Principle's recorded Letter of Intent. Defendant Wolfhawk was also deemed to have constructive notice of the recorded Letter of Intent between Principle and Defendant [REDACTED].

51. Principle was therefore the first to record its interests in the Subject Minerals pursuant to Colorado's race-notice statute, C.R.S. § 38-35-109 (2017).

52. Defendant Wolfhawk did not act in good faith when it secured the Wolfhawk Mineral Deed.

53. The Wolfhawk Mineral Deed is therefore void and of no effect against Principle as to the Subject Minerals.

54. Principle therefore requests this Court enter an order, judgment, and decree that completely adjudicates all of the rights, legal status, relations and obligations of all parties to this action with respect to these issues. Plaintiff requests a specific declaration declaring the Wolfhawk Mineral Deed is void and of no effect as against Principle as to the Subject Minerals, Wolfhawk is not a bona fide purchaser, and such other relief in law or equity to which Principle is or may be entitled.

SIXTH CLAIM FOR RELIEF
(TORTIOUS INTERFERENCE WITH CONTRACT – WOLFHAWK)

55. Plaintiff incorporates by reference, as if fully restated herein, all allegations of Paragraph Nos. 1 through 53 and all numbered and unnumbered subparts thereof, to the extent such allegations support and are consistent with the claims made and relief sought herein.

56. Principle has a contract with the Defendant [REDACTED] to purchase the Subject Minerals.

57. Upon information and belief, Defendant Wolfhawk had actual and constructive notice of the agreement between Principle and Defendant [REDACTED].

58. Defendant Wolfhawk intentionally induced and caused the Defendant [REDACTED] to breach the terms of the agreement.

59. Defendant Wolfhawk's actions have therefore caused damages to Principle measured by the value of the Subject Minerals, including but not limited to the value of the hydrocarbon reserves attributable to the Subject Minerals.

60. Principle therefore requests this Court enter an order, judgment, and decree awarding Principle as damages that value of all hydrocarbon reserves underlying the Subject Minerals, and such other relief in law or equity to which Principle is or may be entitled.

SEVENTH CLAIM FOR RELIEF
(CIVIL CONSPIRACY, ALL DEFENDANTS)

61. Plaintiff incorporates by reference, as if fully restated herein, all allegations of Paragraph Nos. 1 through 59 and all numbered and unnumbered subparts thereof, to the extent such allegations support and are consistent with the claims made and relief sought herein.

62. Defendants have acted in concert with one another to orchestrate the breach of the agreement between Principle and Defendant [REDACTED].

63. Defendants, Wolfhawk and [REDACTED], had a meeting of the minds on that object or course of action.

64. Defendants' conduct was and is unlawful.

65. Defendants' conduct deprives Principle of the benefit of its bargain under the agreement, *i.e.*, the Subject Minerals.

66. Principle will be damaged measured by the value of the Subject Minerals, including but not limited to, the value of the hydrocarbon reserves attributable to the Subject Minerals.

67. Principle therefore requests this Court enter an order, judgment, and decree awarding Principle as damages that value of the Subject Minerals, including but not limited to the value of the hydrocarbon reserves attributable to the Subject Minerals, and such other relief in law or equity to which Principle is or may be entitled.

EIGHTH CLAIM FOR RELIEF
(PERMANENT INJUNCTION, WOLFHAWK)

68. Plaintiff incorporates by reference, as if fully restated herein, all allegations of Paragraph Nos. 1 through 66 and all numbered and unnumbered subparts thereof, to the extent such allegations support and are consistent with the claims made and relief sought herein.

69. Upon information and belief, Defendant Wolfhawk has engaged in a pervasive and persistent pattern of identifying mineral owners who have committed to selling their minerals to other persons or entities. Defendant Wolfhawk then knowingly and intentionally induces those sellers to breach their contracts for sale in exchange for purportedly more favorable terms from Wolfhawk. *See Atomic Capital Minerals, LLC v. Wolfhawk Energy Holdings, LLC, et al.*, Case No. 2017CV30755, District Court, Weld County, State of Colorado; *Wolf Resources, LLC v. Wolfhawk Energy Holdings, LLC, et al.*, Case No. 2017CV30629, District Court, Weld County, State of Colorado.

70. As part of its standard practice, Principle regularly records a Notice of Letter Agreement in the county records upon execution of binding contracts for sale. Defendant Wolfhawk will likely persist with its tortious interference business model.

71. In good conscience and equity, Principle should not be required to assume the risk of Defendant Wolfhawk's ongoing tortious interference with Principle's contracts for sale. Principle, and those sellers who are tortiously induced to breach their agreements, will continue to incur unnecessary fees and costs, and unnecessarily avail themselves of court time and resources, to the benefit of no one except Defendant Wolfhawk.

72. No other remedy will be adequate in addressing Defendant Wolfhawk's ongoing potential racketeering.

73. Plaintiff therefore respectfully requests this Court to enter an permanent injunction enjoining the Defendant Wolfhawk its partners, officers, directors, affiliates, subsidiaries, employees and agents from interfering with Principle's contracts for sale with third parties, and such other relief in law or equity to which Principle is or may be entitled.

PRAYER FOR RELIEF

WHEREFORE, PREMISES CONSIDERED, Plaintiff, prays for an order, judgment and/or a decree from this Court providing for the following:

- (a) Adjudication of all of the rights, legal status, relations and obligations of all parties to this action with respect to the Letter of Intent declaring the agreement is valid and enforceable;
- (b) Awarding Principle as damages the value of the Subject Minerals, including but not limited to the value of the hydrocarbon reserves attributable to the Subject Minerals;
- (c) Specific performance of the Letter of Intent;
- (d) A declaration that the Wolfhawk Mineral Deed is void and of no effect as against Principle as to the Subject Minerals;
- (e) A permanent injunction enjoining Defendant Wolfhawk, its partners, officers, directors, affiliates, subsidiaries, employees and agents from interfering with Principle's contracts for sale with third parties;
- (f) Pre- and post-judgment interest pursuant to C.R.S. § 13-21-101 and/or § 5-12-102;
- (g) Attorneys' fees and Costs incurred by Plaintiff in connection with this action;
- (h) Such other relief in law or equity to which Plaintiff is entitled.

DEMAND FOR JURY TRIAL

Plaintiff demands trial by jury in this action of all issues so triable, pursuant to Rule 38 of the Colorado Rules of Civil Procedure.

Respectfully submitted this 18th day of October, 2017.

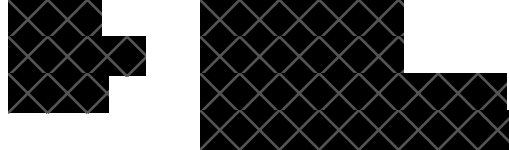
POULSON, ODELL & PETERSON, LLC

By: /s/ *Scott M. Campbell*

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Attorneys for Plaintiff