

Chris LaFollette: The No. 1 Texas M&A Dealmaker in 2015

By Natalie Posgate – HOUSTON (Feb. 11, 2015) – The year was 1998. Chris LaFollette was at a weeklong drilling school program near the Houston George Bush Intercontinental Airport with the executive team of her client, Union Texas Petroleum, and other energy companies from all over the world. She was the only woman and only outside lawyer to attend.

The last day, the hard hat-clad LaFollette stepped up to a flat rig laid out in a parking lot to participate in a simulated rig blowout. Without her and her fellow participants' knowledge, the rig operator made the floor start rocking.

LaFollette turned to the rig operator wide-eyed and asked, "Are you sure this is just a simulation?"

"That's exactly what I want you to remember because when somebody calls you from a well and they say, 'We have a problem,' we want you to pick up the phone," the rig operator replied.

"You can call me anytime," LaFollette said.

Eighteen years later, LaFollette says that experience still resonates with her. Clients keep calling to seek advice on some of the most exciting deals in the energy industry.

And answering her phone clearly paid off.

The corporate partner at Akin Gump Strauss Hauer & Feld led the most mergers, acquisitions, joint ventures or divestitures than any other lawyer in the Lone Star State in 2015, according to new data from *The Texas Lawbook's* Corporate Deal Tracker.

LaFollette, who is the managing partner of Akin Gump's Houston office, specializes in representing public companies, master limited partnerships, boards of directors and special committees – particularly those in the energy sector.

According to the Corporate Deal Tracker, she led or co-led 14 deals for buyers or sellers in M&A deals in 2015. She also advised the conflicts committee of Regency Energy Partners in its \$18 billion merger with Energy Transfer Partners.



Chris LaFollette

LaFollette was also active on the capital markets side last year. She helped Laredo Petroleum Corporation, Bill Barrett Corporation and Cimarex Energy raise nearly \$2 billion in cash.

Though coming out as the No. 1 dealmaker in the Corporate Deal Tracker, LaFollette was quick to point out that every deal she worked on was a team effort. She co-led many of her deals last year with fellow Houston partner John Goodgame, who ranked No. 1 for M&A deal count in the first half of 2015.

"It takes a team," she said. "It's not something that is a one-man show."

After getting to know the ETP team through the Regency merger last January, LaFollette led two dropdown transactions for ETP in July and November involving selling its remaining interests in Sunoco, LLC and interests in the Sunoco retail business to Sunoco, LP. Both of those transactions totaled approximately \$4 billion.

Like the ETP-Sunoco dropdowns, LaFollette said the transactions she handled last year for midstream MLPs – which initially did not feel the blow from the drop in commodity prices as much as exploration & production companies – were increasingly more strategic to help their cash flow, which she says will be more challenged in 2016 if oil prices remain low. >

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“If E&P companies are not producing, there’s nothing to ship (for MLPs),” LaFollette said. “MLPs will likewise have to find their way in the balance of their customers being the producers. Will they be able to renegotiate their contract? Can they find other producers?”

M&A Deal Count by Lawyers				
Deal Count	Lawyer Name	Law Firm	Lawyer's Location	Total Deal Value
12.5	Chris LaFollette	Akin Gump	Houston	\$6,185
11.5	John Goodgame	Akin Gump	Houston	\$7,987
11	Winston Walp II	Norton Rose Fulbright	Dallas	\$245
9	Andrew Calder	Kirkland	Houston	\$22,418
8*	Vic Zanetti	Andrews Kurth	Dallas	\$579

A large amount of LaFollette’s work last year also involved representing the conflicts committee of the board of directors of Landmark Infrastructure Partners’ general partner. In eight transactions, Landmark Infrastructure Partners, an MLP, acquired 761 tenant sites from its sponsor, Landmark Dividend, for an aggregate of \$209 million. The MLP will now lease out the real property interests to companies in the wireless communication, outdoor advertising and renewable power generation industries.

Whether she’s working on a multibillion-dollar deal or a \$20 million deal, LaFollette says the same motive drives her every time – the people behind the transactions.

“I’m not sure the zeroes really make a difference,” she said. “When using the ‘B’ word, it will probably expand into a lot more disciplines. But you start with the basics of understanding the objective of the transaction. [You must] be creative, thoughtful and extremely careful.”

On smaller transactions, such as the series of Landmark Infrastructure Partners acquisitions, “it may look similar to the last, but every deal is different,” she said. “They all have their [own] interesting challenges and successes.”

When asked about what she foresees in her practice this year, LaFollette said she anticipates being more involved in helping clients think a few steps ahead.

“Companies are having to cut budgets, announce layoffs – it’s just so hard,” said LaFollette. “The people your kids go to school with and are on charity events with are losing their jobs. It’s a tough situation to see.

“Where [do oil prices] bottom out? I don’t know,” she added. “I know we’ve been through this before; each one’s a little different. I have such respect for people in the energy business.”

But LaFollette says she doesn’t spend her time wondering when the commodity pricing environment will improve, but rather, how to work through the current conditions.

“When you go to sleep worrying at night, you don’t worry about how long this will last, but you focus on how are we going to get through this?” she said. “Focus on the building blocks and go back to the basics. I tell young attorneys all the time it’s why we call it the practice of law – it’s always evolving. We will continue to be in interesting times.”

(Editor’s Note: Though LaFollette and colleague John Goodgame led the Akin Gump team in the ETP-Regency transaction, that deal was not credited on LaFollette and Goodgame’s individual lawyer deal count on the Corporate Deal Tracker, since other law firms led the deal for the primary buyer and seller of that transaction. Though her actual deal count was 14 for leading deals, LaFollette’s number shows up at 12.5 on the Corporate Deal Tracker because lawyers who co-lead deals get a half credit, while solo lead lawyers receive a full credit).

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