

**2024 Estates & Trusts, Business, and Real Property**  
**Oklahoma Supreme Court**  
**&**  
**Oklahoma Court of Civil Appeals**

*Latigo Oil & Gas, Inc. v. BP America Production Co., 2024 OK 35*

- BP included Latigo's preferential-right mineral interests in a larger package sale. Latigo alleged BP's inflated per-interest allocations thwarted its first-refusal rights. The Court held a seller cannot defeat a preferential right by bundling assets and assigning arbitrary values. Citing *Ollie v. Rainbolt*, it found that a bona fide allocation is required, and artificially raised prices violate first-refusal rights. Concluding the trial court did not abuse its discretion by preserving the status quo, the Court affirmed the preliminary injunction and remanded for further proceedings.

## *Royal Hot Shot Investments v. Kiefer Production Co., 2024 OK 70*

- The trial court ordered Kiefer (a non-party) to produce financial records and tax returns under subpoena for a business valuation dispute. Kiefer appealed, but the Court of Civil Appeals dismissed the appeal as interlocutory. The Supreme Court held that a non-party may directly appeal such discovery orders because they are considered final orders. It found no abuse of discretion in compelling production, as Kiefer's financial information was relevant to valuing an owner's interest. Vacating the Court of Civil Appeals' dismissal, the Supreme Court affirmed the trial court's order compelling document production.

## *Lifetouch National School Studios v. Oklahoma School Pictures, 2024 OK CIV APP 17*

- Lifetouch sought to hold Oklahoma School Pictures liable for a judgment against Tulsa School Pictures, alleging the latter was its alter ego. The appellate court held that factual disputes about ownership, financing, and operational control precluded summary judgment. Evidence suggested Tulsa School Pictures might be a mere instrumentality of Oklahoma School Pictures, sharing management and business resources. The court emphasized that fraud is unnecessary for alter ego liability if disregarding corporate form is needed to prevent injustice. The judgment was reversed and remanded.

## *Johnson v. Brown, 2024 OK CIV APP 18*

- APPROVED FOR PUBLICATION BY THE SUPREME COURT. Plaintiffs alleged that a decades-long practice of family-based board representation in Brown, Brown, Wood and Schoelen, Inc. effectively modified its bylaws, which formally required shareholder elections. After two families took control of all board seats, Plaintiffs sued for declaratory relief and challenged stock transfers. The trial court granted summary judgment for Defendant and awarded attorney fees. The Court of Civil Appeals reversed, finding factual disputes about bylaw modification through custom and improper stock transfers. The attorney fee award was also vacated, and the case was remanded.

## *In the Matter of the Guardianship of L.A.C., 2024 OK 2*

- The Supreme Court addressed whether an incapacitated person can revoke an advance directive and, if so, under which evidentiary standard. Ward executed a directive declining life-sustaining measures, including artificial nutrition and hydration. When a PEG tube was inserted contrary to her directive, her family disputed its removal. The trial court found Ward retained the right to revoke her directive but that revocation must be shown by clear and convincing evidence, a standard not met. The Court of Civil Appeals disagreed, but the Supreme Court reaffirmed the trial court's approach, emphasizing respect for previously expressed end-of-life wishes.

## *Payton v. Applegate, 2024 OK 41*

- The Oklahoma Supreme Court held that a decedent's cattle operation was marital property rather than the decedent's separate assets. Teddy and Charlene commingled proceeds from cattle sales in a jointly held account, used those funds for both ranching and household expenses, and jointly cared for the livestock. Any cattle owned by Teddy before marriage had been replaced through their shared efforts. Oklahoma law presumes property acquired during marriage is marital property unless proven otherwise. Because evidence showed the couple treated the cattle operation as a joint endeavor, the Court upheld the trial court's ruling.

## *Galbraith v. Galbraith, 2024 OK 43*

- The Supreme Court held that a guardian may, with court authorization, file for divorce on behalf of an incapacitated ward. The trial court had dismissed a guardian's divorce petition based on outdated precedent. The Supreme Court reversed, noting that Oklahoma's Guardianship and Conservatorship Act empowers courts to protect a ward's property and best interests. Divorce differs from marriage creation in that it does not require personal mutual consent and can address critical financial matters. Because the guardianship judge specifically allowed the filing, the Court concluded that the guardian could proceed with a divorce action to safeguard the ward's interests.



## *In the Matter of the Estate of Evans, 2024 OK 65*

- Melissa Evans died owning a house she had occupied alone. Her adult son, Joshua, later moved in and claimed a homestead exemption against creditors' claims. The Supreme Court held the exemption ended upon Melissa's death. Under Oklahoma law, a probate homestead continues only for a surviving spouse or minor children. Because Joshua was an adult, the statutory protections did not apply. The property remains subject to estate administration and creditor claims. The Court affirmed the district court's ruling, holding Joshua could not assert a homestead right without a surviving spouse or minor child.

*In the Matter of the Estate of Oakley, 2024 OK CIV APP 24*

- The appellate court affirmed the trial court's refusal to admit a 2009 holographic will to probate, holding it invalid under 84 O.S. section 54. Although the decedent wrote the will, two capital letters were inserted by another person. The court rejected the daughter's argument that the letters were harmless surplusage, emphasizing the statute's strict requirement that a holographic will be entirely in the testator's handwriting. Because the statutory mandate was not met, the court upheld the probate of the decedent's 1987 formal will.

## *Base v. Devon Energy Production, 2024 OK 3*

- The Court held a 1978 lease did not supersede or amend a 1973 lease covering the same mineral interests. Trustees argued for a 3/16 royalty under the 1978 lease, while Devon maintained the 1973 lease's 1/8 royalty controlled. The Supreme Court agreed with the trial court that the trustees' quiet title claim was time-barred under the 15-year statute of limitations, which began when the second lease was recorded and conflicting division orders were signed. Because the trust had actual notice for decades, the claim fell outside the limitations window. The derivative PRSA claims also failed.

***Butterfield v. Trustee of McCoy Revocable Living Trust, 2024 OK CIV APP 2***

- Butterfield occupied land under a contract for deed, placing improvements on it. Before Butterfield completed payments, the owner, Carter, sold and deeded the property to the Trust, which recorded its deed first without knowledge of Butterfield's claim. Although Butterfield later recorded his contract for deed and finished paying, he had no title until completion of payments, and Carter had already conveyed the property. The Trust, as a bona fide purchaser with the first recorded deed, held superior title. The trial court's summary judgment for the Trust was affirmed.

## *Graham v. Reynolds, 2024 OK CIV APP 26*

- Eric J. Graham, as Trustee of the Eric J. Graham Revocable Trust, sued Adam Reynolds, alleging that short-term vacation rentals of Reynolds' lake home violated restrictive covenants requiring residential-only use. Reynolds argued that short-term rentals involved typical residential activities and were not explicitly prohibited. The appellate court affirmed summary judgment for Reynolds, holding that ambiguous covenants must be interpreted in favor of property use. It also upheld the attorney fees and costs awarded to Reynolds, as Graham had stipulated to their reasonableness in the trial court.

***Bella Vista Village v. Goodwin-Zapata, 2024 OK CIV APP 27***

- Bella Vista Village won a forcible entry and detainer action against tenants who failed to pay rent. The tenants appealed but neither posted a supersedeas bond nor paid current rent during the appeal, as required by 12 O.S. 2021 section 1148.10A(F). The appellate court ruled that failure to pay rent during the appeal constitutes abandonment under the statute. Although bond posting is not mandatory for an appeal, the tenants' nonpayment triggered statutory abandonment. The court dismissed the appeal for noncompliance.

## *White v. Crestwood at the River, 2024 OK CIV APP 28*

- The Court addressed a quiet title and slander of title action involving a disputed lien that delayed Plaintiffs' property sale. Plaintiffs claimed no business relationship with Defendant and argued the recorded lien forced them to accept limited title insurance coverage. After the sale, Plaintiffs remained contractually obligated to remove the lien. The trial court dismissed for lack of standing. The Court reversed, concluding Plaintiffs retained a continuing legal interest and remanded for further proceedings.