

UNITED STATES DISTRICT COURT  
WESTERN DISTRICT OF LOUISIANA  
ALEXANDRIA DIVISION

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STATE OF LOUISIANA o/b/o  
KENNETH JAMES GUILBEAU

CIVIL ACTION NO. 17-CV-00779

VERSUS

CHIEF JUDGE DRELL

BEPCO, L.P., *et al.*

MAGISTRATE JUDGE PEREZ-MONTES

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**SUA SPONTE JURISDICTIONAL BRIEFING ORDER**

Before the Court is a Complaint removed from a Louisiana state court by Defendant Chisholm Trail Ventures, L.P. (Doc. 1). Defendant premises federal jurisdiction on diversity of citizenship.

**I. The law of citizenship.**

The diversity statute – 28 U.S.C. § 1332 – is satisfied upon a showing of: (1) diversity of citizenship between the parties; and (2) an amount in controversy in excess of \$75,000, exclusive of interest and costs. “Complete diversity requires that all persons on one side of the controversy be citizens of different states than all persons on the other side.” See Harvey v. Grey Wolf Drilling Co., 542 F.3d 1077, 1079 (5th Cir. 2008) (internal citation and quotation omitted). Further, “when jurisdiction depends on citizenship, citizenship must be *distinctly* and *affirmatively* alleged.” See Getty Oil Corp., a Div. of Texaco, Inc. v. Ins. Co. of N. Am., 841 F.2d 1254, 1259 (5th Cir. 1988). The Court has “an independent obligation to determine whether subject-matter jurisdiction exists, even in the absence of a challenge from any party.” See Arbaugh v. Y&H Corp., 546 U.S. 500, 514 (2006). This duty persists throughout all

phases of the litigation, “even after trial and the entry of final judgment.” See id. at 506-07.

The citizenship of an individual is his or her domicile, meaning the place where an individual resides and intends to remain. See Acridge v. Evangelical Lutheran Good Samaritan Soc., 334 F.3d 444, 448 (5th Cir. 2003). A corporation shall be deemed to be a citizen of every State and foreign state by which it has been incorporated and of the State or foreign state where it has its principal place of business. See Tewari De-Ox Systems, Inc. v. Mountain States/Rosen, L.L.C., 757 F.3d 481, 483 (5th Cir. 2014). The citizenship of a general partnership depends on that of all partners. See Int'l Paper Co. v. Denkmann Associates, 116 F.3d 134, 135, 137 (5th Cir. 1997). The citizenship of a limited liability company (“L.L.C.”), a limited partnership, or other unincorporated association or entity is determined by the citizenship of all its members. See Harvey, 542 F.3d at 1079-80.

There are also trusts involved in this case. Traditionally, a trust is not considered a distinct legal entity, but a “fiduciary relationship” between multiple people. See Americold Realty Trust v. Conagra Foods, Inc., 136 S.Ct. 1012, 1016 (2016). Trusts do not have “members.” Rather, a trust exists where a settlor transfers title of property to a trustee to hold in trust for the benefit of beneficiaries. See Hometown 2006-1 1925 Valley View, L.L.C. v. Prime Income Asset Mgmt., L.L.C., 847 F.3d 302, 307 (5th Cir.2017) (citing Americold, 136 S.Ct. at 1016). A trustee is a real party to the controversy for purposes of diversity jurisdiction when he possesses certain customary powers to hold, manage, and dispose of assets for the benefit of

others. See Navarro Sav. Ass'n, 446 U.S. at 464 (citing Bullard v. Cisco, 290 U.S. 179, 189 (1933)).

However, many States have applied the “trust” label to a variety of unincorporated entities that have little in common with the traditional trust template. Since such an entity is unincorporated, it possesses the citizenship of all its members. See Americold Realty Trust, 136 S.Ct. at 1016 (citing C.T. Carden v. Arkoma Associates, 494 U.S. 185, 195 (1990)).

In this case, many of the partners and owners of the parties are trusts. Since Defendants claim the citizenship of both the trustees and the beneficiaries of the trusts in their notice of removal, Defendants are apparently admitting that all of the trusts are business trusts, rather than traditional trusts.

## II. Analysis

### A. Plaintiff State of Louisiana o/b/o Kenneth James Guilbeau is a Louisiana resident.

Defendants show that Plaintiff Kenneth James Guilbeau is a citizen of Louisiana.<sup>1</sup>

### B. Defendant Chisolm Trail Ventures, L.P. is a citizen of California, New York, Texas, and Virginia.

Defendants show that Chisolm Trail Ventures, L.P. is a limited partnership that is a citizen of California, New York, Texas and Virginia, and is composed of 13 general partners and 13 limited partners. The limited partners are:

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<sup>1</sup> A state is not a citizen for purposes of diversity jurisdiction. Moor v. Alameda Cty., 411 U.S. 693, 717 (1973).

1. Sid R. Bass Management Trust (a citizen of Texas), of which Sid R. Bass (a resident of Texas) is both the trustee and beneficiary, is a citizen of Texas;
2. Hyatt Ann Bass Management Trust (a citizen of Texas and New York), of which Panther City Investment Company (a Texas corporation with its principal place of business in Texas) is the trustee and Hyatt Ann Bass (a citizen of New York) is the beneficiary;
3. Samantha Sims Bass Management Trust (a citizen of Texas and New York), of which Panther City Investment Company (a citizen of Texas) is the trustee and Samantha Sims Bass (a citizen of New York) is the beneficiary;
4. Lee M. Bass 1986 Children's Trust FBO Sophie Seeligson Bass (a citizen of Texas), of which Tom White (a citizen of Texas) is the trustee and Sophie Seeligson Bass (a citizen of Texas) is its beneficiary;
5. Lee M. Bass 1986 Children's Trust FBO Perry R. Bass II (a citizen of ), of which Tom White (a citizen of Texas) is the trustee and Perry R. Bass (a citizen of Texas) is the beneficiary;
6. Lee M. Bass 1986 Children's Trust FBO Ramona Frates Bass (a citizen of Texas), of which Tom White is the trustee and Ramona Frates Bass White (a citizen of Texas) is the beneficiary;
7. Anne Chandler Bass Trust (a citizen of Texas and California), of which Jay Hebert (a citizen of Texas) is trustee and Anne Chandler Bass (a citizen of California) is the beneficiary;
8. Margaret Lee Bass Trust (a citizen of Texas and California), of which Jay Hebert (a citizen of Texas) is trustee and Margaret Bass Sickel (a citizen of California) is beneficiary;
9. Christopher Maddox Bass Trust (a citizen of Texas and California), of which Jay Hebert (a citizen of Texas) is trustee and Christopher Maddox Bass (a citizen of California) is beneficiary;
10. Timothy Richardson Bass Trust (a citizen of Virginia), of which Timothy Richardson Bass (a citizen of Virginia) is both trustee and beneficiary;

11. FW-SSB Management, L.P. (a citizen of Texas), of which:
  - a. FW-SSB Management Genpar, L.L.C. is the general partner, of which the sole member of FW-SSB Management Trust (a citizen of Texas), of which:
    - i. Sophie S. Bass (a citizen of Texas) and Lee M. Bass (a citizen of Texas) are trustees, and
    - ii. Sophie S. Bass is the beneficiary.
  - b. SSB Management Trust (a citizen of Texas) is the limited partner, of which Sophie S. Bass (a citizen of Texas) and Lee M. Bass (a citizen of Texas) are trustees and Sophie S. Bass is beneficiary;
  
12. PRB II Management, L.P. (a citizen of Texas), of which:
  - a. the general partner is PRB I Management Genpar, L.L.C. (a citizen of Texas), whose sole member is PRB Management Trust (a citizen of Texas):
    - i. of which Perry R. Bass II (a citizen of Texas) and Lee M. Bass (a citizen of Texas) are trustees; and
    - ii. Perry R. Bass II is beneficiary; and
  - b. the limited partner is PRB Management Trust (a citizen of Texas);
  
13. Ramona Frates Bass Grandchildren's Successor Trust (a citizen of Texas), of which Lee M. Bass (a citizen of Texas) is the trustee and Ramona Frates Bass (a citizen of Texas) is the beneficiary.

The general partners of the Chisolm Trail Ventures, L.P. are:

1. SRBMT Genpar, L.L.C. (a citizen of Texas), whose sole member is the Sid R. Bass Management Trust ( a citizen of Texas, as set forth above);
2. HAB Genpar, L.L.C. (a citizen of Texas and New York), whose sole member is the Hyatt Ann Bass Management Trust (a citizen of Texas and New York, as set forth above);
3. SSB Genpar, L.L.C. (a citizen of Texas and New York), whose sole member is the Samantha Sims Bass Management Trust (a citizen of Texas and New York);
4. FBO SSB Genpar, L.L.C. (a citizen of Texas), whose sole member is the Lee M. Bass 1986 Children't Trust FBO Sophie Seeligson Bass (a citizen of Texas, as set forth above);

5. FBO PRB II Genpar, L.L.C. (a citizen of Texas), whose sole member is the Lee M. Bass 1986 Children's Trust FBO Perry R. Bass II (a citizen of Texas, as set forth above);
6. FBO RFB Genpar, L.L.C. (a citizen of Texas), whose sole member is the Lee M. Bass 1986 Children's Trust FBO Ramona Frates Bass (a citizen of Texas, as set forth above);
7. ACB GST Genpar, L.L.C. (a citizen of Texas), whose sole member is the Anne Chandler Bass Trust (a citizen of Texas, as set forth above);
8. MLB GST Genpar, L.L.C. (a citizen of Texas), whose sole member is the Margaret Lee Bass Trust (a citizen of Texas, as set forth above);
9. CMB Trust Genpar, L.L.C. (a citizen of Texas), whose sole member is the Christopher Maddox Bass Trust (a citizen of Texas, as set forth above);
10. TRB GST Genpar, L.L.C. (a citizen of Virginia), whose sole member is the Timothy Richardson Bass Trust (a citizen of Virginia, as set forth above);
11. FS-SSB Management GP, L.L.C. (a citizen of Texas), whose sole member is FW-SSB Management, L.P. (a citizen of Texas, as set forth above).
12. PRB II Management GP, L.L.C. (a citizen of Texas), whose sole member is PRB II Management, L.P. (a citizen of Texas, as set forth above);
13. RFB GST Genpar, L.L.C. (a citizen of Texas), whose sole member is the Ramona Grates Bass Grandchildren's Successor Trust (a citizen of Texas, as set forth above).

**C. Defendant BEPCO, L.P. is a citizen of Texas, New York, California, and Virginia.**

Defendants show that BEPCO, L.P. is limited partnership that is a citizen of Texas, New York, California, and Virginia, and is composed of one general partner and four limited partners. The general partner is BEPCO Genpar, L.L.C., which has

its members the four limited partners of BEPCO, L.P. The members of Genpar, L.L.C., and the limited partners of BEPCO, L.P., are citizens of Texas, New York, California, and Virginia, as set forth below:

1. Keystone Group, L.P. (a citizen of Texas), which has five limited partners and five general partners:
  - a. The limited partners are:
    - i. Keystone Investment Trust, of which the trustee is Jay H. Hebert (a citizen of Texas) and the beneficiary is Robert M. Bass (a citizen of Texas);
    - ii. Ann Chandler Bass Trust (a citizen of Texas, as set forth above);
    - iii. Christopher Maddox Bass Trust (a citizen of Texas and California, as set forth above);
    - iv. Margaret Lee Bass Trust (a citizen of Texas and California, as set forth above); and
    - v. Timothy Richardson Bass Trust (a citizen of Virginia, as set forth above).
  - b. The general partners are:
    - i. Keystone MGP, L.L.C. (a citizen of Texas), whose sole member is Robert M. Bass (a citizen of Texas);
    - ii. Keystone Investors III, L.L.C. (a citizen of Texas and California), whose sole member is Ann Chandler Bass Trust (a citizen of Texas and California, as set forth above);
    - iii. Keystone Investors I, L.L.C., citizen of Texas and California), whose sole member is the Christopher Maddox Bass Trust (a citizen of Texas and California, as set forth above);
    - iv. Keystone Investors IV, L.L.C. (a citizen of Texas and California), whose sole member is the Margaret Lee Bass Trust (a citizen of Texas and California, as set forth above); and
    - v. Keystone Investors II, L.L.C. (a citizen of Virginia), whose sole member is the Timothy Richardson Bass Trust (a citizen of Virginia, as set forth above).
2. LMBI, L.P. is a limited partnership whose limited partner is the 201 Management Trust (a citizen of Texas), of which Lee M. Bass (a citizen of Texas) is both the trustee and beneficiary. The general partner of LMBI, L.P. is LMBI GP, L.L.C., whose sole

member is the 201 management Trust (a citizen of Texas, as set forth above).

3. SRBI, L.P. is a limited partnership with three limited partners and three general partners, and a is a citizen of Texas and New York, as follows:
  - a. The limited partners of SRBI, L.P. are:
    - i. Sid R. Bass Management Trust (a citizen of Texas, as set forth above);
    - ii. Hyatt Anne Bass Management Trust (a citizen of Texas and New York, as set forth above); and
    - iii. Samantha Sims Bass Management Trust (a citizen of Texas and New York, as set forth above).
  - b. The general partners of SRBI, L.P. are:
    - i. SRBI MGP, L.L.C. (a citizen of Texas), whose sole member is the Sid R. Bass Management Trust (a citizen of Texas, as set forth above);
    - ii. HABMT GP, L.L.C. (a citizen of Texas and New York), whose sole member is Hyatt Anne Bass Management Trust (a citizen of Texas and New York, as set forth above); and
    - iii. SSBMT GP, L.L.C. (a citizen of Texas and New York), whose sole member is the Samantha Sims Bass Management Trust (a citizen of Texas and New York, as set forth above).
4. Thru Line, L.P. has one general partner and one limited partner (Fine Line L.P.), and is a citizen of Texas, as follows:
  - a. Thru Line, L.P.'s limited partner is Fine Line L.P. (a citizen of Texas):
    - i. Fine Line, L.P.'s limited partner is Edward Bass (a citizen of Texas);
    - ii. Fine Line, L.P.'s general partner is Fine Line GP, L.L.C., whose sole member is Fine Line L.P.
  - b. Thru Line, L.P.'s general partner is Thru Line GP, L.L.C. (a citizen of Texas), whose sole member is Fine Line L.P. (a citizen of Texas, as set forth above).

**D. Defendant BOPCO, L.P. is a citizen of Texas and Delaware.**



Defendants show that Defendant BOPCO, L.P. is limited partnership whose limited partner is NPB Holdings, L.P., and whose general partner is BOPCO GP, L.L.C., whose sole member is NPB Holdings, L.P.

NPB Holdings, L.P. is a limited partnership whose limited partner is ExxonMobil Exploration and Production South, Inc. (a Delaware corporation with its principal place of business in Texas), and whose general partner is NPBG Genpar, L.L.C., a limited liability company whose sole member is ExxonMobil Exploration and Production South, Inc.

Therefore, BOPCO, L.P. is a citizen of Texas and Delaware.

**E. Defendant Hess Corporation is a citizen of Delaware and New York.**

Defendants show that Hess Corporation is a Delaware corporation with its principal place of business in New York.

**F. Citizenship of the diverse individual Defendants Goldsberry, Griffin, and Schraibman.**

Defendants show that Penny Jean Goldsberry is a citizen of Texas. Defendants show that Connie Louise Goldsberry Griffin is a citizen of Virginia. Defendant show that Aimee Camden Lewis Schraibman is a citizen of South Carolina.

**G. Citizenship of the non-diverse Defendants Baucum and Bunny-Pookie, L.L.C.**

Defendants show that Linda Gail Baucum is a citizen of Louisiana. Defendants allege that Baucum was fraudulently joined to defeat diversity jurisdiction, and contend that her citizenship should be ignored.

Defendants further show that Defendant Bunny-Pookie, L.L.C. is a limited liability company whose members are Frank Hood Goldsberry and Morgan Goldsberry, both citizens of Louisiana. Therefore, Bunny-Pookie, L.L.C. is a citizen of Louisiana. Defendants contend that Bunny-Pookie, L.L.C. was fraudulently joined to defeat diversity jurisdiction, and that its citizenship should be ignored.

**III. Diversity jurisdiction is not shown in the pleadings.**

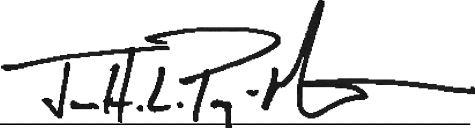
Diversity of citizenship is not shown in the pleadings. Accordingly,

The Clerk of Court is DIRECTED to serve a copy of this order upon all parties to this action IMMEDIATELY upon receipt of proof of service or an appearance.

IT IS ORDERED that, no later than **21 days** from service of this Order on Defendants, Defendants SHALL FILE a Motion to Dismiss and Memorandum briefing the issues of subject matter jurisdiction and improper joinder of Linda Gail Baucum and Bunny-Pookie, L.L.C.

IT IS FURTHER ORDERED Plaintiff will be allowed **14 days** from receipt of Defendants' memorandum regarding improper joinder to file a response.

THUS DONE AND SIGNED in chambers in Alexandria, Louisiana, this 21st day of June, 2017.

A handwritten signature in black ink, appearing to read 'J.H.L. Perez-Montes', written over a horizontal line.

Joseph H.L. Perez-Montes  
United States Magistrate Judge