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Express H2O Pipeline and ROW, LLC sues Westlake Chemical OPCO, LP to Void Pipeline Easements

(Beaumont, TX...January 6, 2025) - Express H2O Pipeline and ROW, LLC filed a lawsuit against Westlake Chemical OPCO, LP, seeking a declaration that pipeline easements owned by Westlake are void. The lawsuit, filed in the 159th/217th District Court of Angelina County, Texas, alleges that Westlake's easements are void because they conflict with earlier grants of exclusive pipeline rights to Express H2O's predecessor, Gulf. Express H2O seeks to prohibit Westlake OPCO from operating the 200-mile pipeline that connects the Eastman Chemical Longview plant located in Longview, Texas to Mont Belvieu, Texas. The easements at issue crosses Angelina and Nacogdoches counties, including Alazan Bayou WMA, which is owned and operated by the Texas Parks and Wildlife Department in Nacogdoches County.

The lawsuit is significant because it could impact operations of Westlake Chemical OPCO, LP, and its affiliates, Westlake Chemical Partners LP ("WLKP") and Westlake Chemical Corporation ("WLK"). These companies rely on this pipeline that is owned and operated by Westlake Chemical OPCO, LP. If Express H2O is successful in its lawsuit, Westlake may be forced to shut down its pipeline, disrupting the operations of these companies.

The operation of the 200-mile pipeline is critical for the operations of WLKP and WLK, both of which are publicly traded entities on the New York Stock Exchange. However, SEC filings for WLKP and WLK have yet to disclose the critical nature of these allegations, which could have significant financial implications for the companies.

According to Larry Wright, founder and manager of Express H2O, Westlake's easement documentation references Express H2O's pipeline as abandoned.

Wright states in his affidavit, "that this assertion made no sense given that there was plenty of public notice for the original surveyors to have known the Gulf pipeline was not an abandoned pipeline..." He added "Texas Parks and Wildlife acquired Alazan Bayou WMA with exceptions to title showing the presence of the easement now owned by H2O Express," and "at all relevant times Express H2O's Pipeline interests still remained actively permitted with the Texas Railroad Commission."

The lawsuit also highlights the importance of conducting thorough due diligence before entering into any agreements involving real property. In this case, Westlake Chemical OPCO, LP and its predecessor apparently failed to identify the conflict between its easements and the earlier easement granted to Express H2O. This failure could result in significant financial losses for Westlake and its affiliates.

Westlake Chemical OPCO, LP, Westlake Chemical Partners LP, and Westlake Chemical Corporation are headquartered in Houston, Texas.

About Express H2O Pipeline and ROW, LLC

Express H2O Pipeline and ROW, LLC is a Texas limited liability company headquartered in McQueeny, Texas. The company is seeking to protect its exclusive pipeline rights. Express H2O Pipeline and ROW, LLC is represented by Bailey Wingate of Wingate Law, PLLC, Scott Skelton and Holli V. Pryor-Baze of Skelton Slusher Barnhill Watkins Wells, Tanner Franklin of Hightower, Franklin & James, PLLC, and Chris Sachitano of Sachitano Law, PLLC.