SUPREME COURT OF TEXAS

Hysaw v. Dawkins

483 S.W.3d 1 (Tex. 2016) · Decided January 29, 2016

SUMMARY

The Supreme Court of Texas interprets a will devising nonparticipating royalty interests described using double fractions. The court rejects a mechanical rule requiring multiplication of the fractions and holds, based on the will as a whole, that the testatrix intended each child to receive an equal one-third floating royalty rather than a fixed one-twenty-fourth royalty. The decision addresses the historical use of one-eighth as a customary royalty and the distinction between fractional royalty and fraction-of-royalty interests.

CASE DETAILS

COURT	Supreme Court of Texas
WRITING FOR THE COURT	Justice Guzman
JURISDICTION	Texas
DECIDED	January 29, 2016
DISPOSITION	reversed
PROCEDURAL POSTURE	Declaratory-judgment action concerning the construction of a will and the nature of royalty interests devised under it; the parties stipulated to the pertinent facts and filed cross-motions for summary judgment.
STANDARD OF REVIEW	De novo review of summary judgment and interpretation of the will as a matter of law.
PRECEDENTIAL VALUE	binding precedent
PARTIES	Howard’s successors, Dorothy’s successors v. Inez’s successors

TOPICS

oil and gas · minerals · probate · real estate · statutory interpretation

PRACTICE AREAS

oil and gas law · mineral rights · wills and estates · real property

QUESTIONS PRESENTED

1. Whether the double-fraction language in Ethel Hysaw's will created fixed 1/24 fractional royalty interests or floating one-third fraction-of-royalty interests.
2. Whether the will's royalty provisions must be construed holistically and harmonized, rather than by mechanically multiplying the stated fractions or construing each provision in isolation.

HOLDINGS

1. Ethel Hysaw's will devised to each child a floating one-third of any and all royalty interests on all the devised land tracts, rather than a fixed 1/24 fractional royalty.
2. Courts may not mechanically multiply double fractions whenever they appear; they must determine intent by examining all words and provisions of the instrument in context and harmonizing apparent inconsistencies when possible.

KEY QUOTATIONS

> *"We therefore cannot embrace a mechanical approach requiring rote multiplication of double fractions whenever they exist."* (5)

> *"We therefore hold that Ethel's will devised to each child 1/3 of any and all royalty interest on all the devised land tracts."* (16)

> *"Intent must be determined by a careful and detailed examination of the document in its entirety, rather than by application of mechanical rules of construction that offer certainty at the expense of effectuating intent."* (16)

FACTUAL BACKGROUND

Ethel Nichols Hysaw's 1947 will devised different tracts of land in fee simple to her three children and granted each child a nonparticipating royalty interest described using double fractions, including one-third of one-eighth royalty. The will also provided that, if Ethel had sold royalty during her lifetime, each child would receive one-third of the remainder of the unsold royalty. After Ethel's death, some successors disputed whether the double-fraction language created fixed 1/24 royalty interests or floating one-third interests, particularly after a 2008 lease on Inez's tract provided for a one-fifth royalty.

PROCEDURAL HISTORY

The trial court denied Inez's successors' motion for summary judgment and granted Howard's and Dorothy's successors' motion, rendering judgment that each child received one-third of any royalty interest on the devised lands. The court of appeals reversed and rendered judgment for Inez's successors, construing the will as creating fixed 1/24 royalty interests on some tracts and floating one-third royalty interests on others. The Supreme Court of Texas reversed the court of appeals and rendered judgment that the will devised a one-third fraction of royalty to each child.

DISPOSITION

reversed

CASES CITED

- Concord Oil Co. v. Pennzoil Expl. & Prod. Co., 966 S.W.2d 451 (Tex. 1998) (plurality op.)
- Luckel v. White, 819 S.W.2d 459 (Tex. 1991)
- Shriner's Hosp. for Crippled Children of Tex. v. Stahl, 610 S.W.2d 147 (Tex. 1980)
- Bergin v. Bergin, 159 Tex. 83, 315 S.W.2d 943 (Tex. 1958)
- San Antonio Area Found. v. Lang, 35 S.W.3d 636 (Tex. 2000)
- Lehman v. Corpus Christi Nat'l Bank, 668 S.W.2d 687 (Tex. 1984)
- Stewart v. Selder, 473 S.W.2d 3 (Tex. 1971)
- Sinnott v. Gidney, 159 Tex. 366, 322 S.W.2d 507 (Tex. 1959)
- Mattern v. Herzog, 367 S.W.2d 312 (Tex. 1963)
- Kachina Pipeline Co. v. Lillis, 471 S.W.3d 445 (Tex. 2015)
- Taylor v. First Nat'l Bank of Wichita Falls, 207 S.W.2d 428 (Tex. Civ. App.—Fort Worth 1948, no writ)
- Alford v. Krum, 671 S.W.2d 870 (Tex. 1984)
- Seagull Energy E & P, Inc. v. Eland Energy, Inc., 207 S.W.3d 342 (Tex. 2006)
- Coker v. Coker, 650 S.W.2d 391 (Tex. 1983)
- Schlittler v. Smith, 128 Tex. 628, 101 S.W.2d 543 (Tex. 1937)
- French v. Chevron U.S.A. Inc., 896 S.W.2d 795 (Tex. 1995)
- KCM Fin. LLC v. Bradshaw, 457 S.W.3d 70 (Tex. 2015)
- Plainsman Trading Co. v. Crews, 898 S.W.2d 786 (Tex. 1995)
- Sun Oil Co. v. Madeley, 626 S.W.2d 726 (Tex. 1981)
- Garrett v. Dils Co., 157 Tex. 92, 299 S.W.2d 904 (Tex. 1957)
- Coghill v. Griffith, 358 S.W.3d 834 (Tex. App.—Tyler 2012, pet. denied)
- Graham v. Prochaska, 429 S.W.3d 650 (Tex. App.—San Antonio 2013, pet. denied)
- Harriss v. Ritter, 154 Tex. 474, 279 S.W.2d 845 (1955)
- Hudspeth v. Berry, No. 2-09-225-CV, 2010 WL 2813408 (Tex. App.—Fort Worth July 15, 2010, no pet.) (mem. op.)
- Butler v. Horton, 447 S.W.3d 514 (Tex. App.—Eastland 2014, no pet.)
- Sundance Minerals, L.P. v. Moore, 354 S.W.3d 507 (Tex. App.—Fort Worth 2011, pet. denied)
- Moore v. Noble Energy, 374 S.W.3d 644 (Tex. App.—Amarillo 2012, no pet.)