

UNITED STATES DISTRICT COURT FOR THE EASTERN DISTRICT OF  
OKLAHOMA

Kalkman Habeck Company v. APA Corporation, and Callon  
Petroleum Operating Company

Kalkman Habeck · No. 25-CV-32-DES · Decided February 26, 2026

SUMMARY

The United States District Court for the Eastern District of Oklahoma denied Defendants’ motion to dismiss for improper venue but granted their motion to transfer venue under 28 U.S.C. § 1404(a). The court held that venue was proper in Oklahoma because the leases were negotiated and executed there, but transferred the case to the Southern District of Texas because the alleged royalty underpayments, key witnesses, relevant evidence, and likely governing law were centered in Texas.

CASE DETAILS

|                       |                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|-----------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| COURT                 | United States District Court for the Eastern District of Oklahoma                                                                                                                                                                                                                                                                                                                                                                                                     |
| WRITING FOR THE COURT | D. Edward Snow                                                                                                                                                                                                                                                                                                                                                                                                                                                        |
| JURISDICTION          | United States District Court for the Eastern District of Oklahoma                                                                                                                                                                                                                                                                                                                                                                                                     |
| DECIDED               | February 26, 2026                                                                                                                                                                                                                                                                                                                                                                                                                                                     |
| DOCKET                | 25-CV-32-DES                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
| DISPOSITION           | remanded                                                                                                                                                                                                                                                                                                                                                                                                                                                              |
| PROCEDURAL POSTURE    | Defendants moved to dismiss for improper venue or, alternatively, to transfer the action under 28 U.S.C. § 1404(a). The court denied dismissal but granted transfer to the Southern District of Texas.                                                                                                                                                                                                                                                                |
| STANDARD OF REVIEW    | Venue under 28 U.S.C. § 1391(b)(2) is assessed by examining the nature of the claims, the acts or omissions underlying them, and whether substantial events material to the claims occurred in the forum. A § 1404(a) transfer decision is committed to the district court's discretion and requires consideration of convenience, fairness, and the interests of justice; the moving party bears the burden of establishing that the existing forum is inconvenient. |
| PRECEDENTIAL VALUE    | Unknown; district court opinion with no published reporter citation identified                                                                                                                                                                                                                                                                                                                                                                                        |

TOPICS

venue

civil procedure

breach of contract

oil and gas

commercial litigation

## PRACTICE AREAS

civil procedure

contracts

oil and gas

commercial litigation

## QUESTIONS PRESENTED

1. Whether venue was improper in the Eastern District of Oklahoma under 28 U.S.C. § 1391(b).
2. Whether the action should be transferred to the Southern District of Texas under 28 U.S.C. § 1404(a) for convenience and in the interest of justice.

## HOLDINGS

1. Venue was proper in the Eastern District of Oklahoma because the negotiation and execution of the leases occurred there and constituted a substantial event giving rise to the claims; dismissal for improper venue was therefore unwarranted.
2. Transfer was warranted because the Southern District of Texas was a proper transferee forum and was more convenient and consistent with fairness and the interests of justice.

## KEY QUOTATIONS

*“For the convenience of parties and witnesses, in the interest of justice, a district court may transfer any civil action to any other district or division where it might have been brought or to any district or division to which all parties have consented.”*

*“Accordingly, in the interest of convenience, fairness, and justice, Defendants’ Motion to Dismiss for Improper Venue is DENIED, and Defendants’ Motion to Transfer Venue is GRANTED.”*

## FACTUAL BACKGROUND

Kalkman Habeck Company, an Oklahoma partnership, sued two Texas residents concerning oil and gas leases covering Texas wells. The leases were negotiated and executed in Oklahoma, but the alleged underpayment or nonpayment of royalties and the relevant performance occurred in Texas. Key witnesses concerning royalty calculations and lease performance were located in the Southern District of Texas, and the leases referenced Texas law, Texas statutes, and Texas arbitration procedures.

## PROCEDURAL HISTORY

Plaintiff filed an action in the Eastern District of Oklahoma alleging nonperformance of oil and gas leases and underpayment or nonpayment of royalties. Defendants moved to dismiss for improper venue or transfer the case. After briefing, the court held that venue was proper in Oklahoma but transferred the action to the Southern District of Texas under § 1404(a).

## DISPOSITION

remanded

## REMAND INSTRUCTIONS

Transfer the action to the United States District Court for the Southern District of Texas. The order does not direct further proceedings on the merits beyond transfer.

## CASES CITED

- Employers Mutual Casualty Co. v. Bartile Roofs, Inc., 618 F.3d 1153, 1166 (10th Cir. 2010)
- Gulf Insurance Co. v. Glasbrenner, 417 F.3d 353, 357 (2d Cir. 2005)
- Chrysler Credit Corp. v. Country Chrysler, Inc., 928 F.2d 1509, 1515-16 (10th Cir. 1991)
- Stewart Organization, Inc. v. Ricoh Corp., 487 U.S. 22, 29 (1988)
- Van Dusen v. Barrack, 376 U.S. 612, 622 (1964)
- Continental Grain Co. v. The FBL-585, 364 U.S. 19, 31 (1960)
- Cook v. Atchison, Topeka & Santa Fe Railway Co., 816 F. Supp. 667, 669 (D. Kan. 1993)
- Kunneman Properties, LLC v. Marathon Oil Co., 2018 WL 337752, at \*3 (N.D. Okla. Jan. 9, 2018)