SUPREME COURT OF APPEALS OF WEST VIRGINIA

G. Thomas Bartlett, III v. Mary Louise Lipscomb

No. 14-0278, Supreme Court of Appeals of West Virginia (April 9, 2015)

SUMMARY

The Supreme Court of Appeals of West Virginia affirmed an order enforcing a binding oral settlement agreement reached during court-ordered mediation. The court held that the Statute of Frauds did not apply because the underlying action sought enforcement of a written contract and the mediation agreement resolved that contractual dispute. The court also concluded that the requirements identified in Riner v. Newbraugh for enforcing an unwritten mediation settlement were satisfied.

CASE DETAILS

COURT	Supreme Court of Appeals of West Virginia
WRITING FOR THE COURT	Chief Justice Margaret L. Workman; Justice Robin Jean Davis; Justice Brent D. Benjamin; Justice Menis E. Ketchum; Justice Allen H. Loughry II
JURISDICTION	West Virginia
DECIDED	April 9, 2015
DOCKET	14-0278
DISPOSITION	affirmed
PROCEDURAL POSTURE	Bartlett appealed the Circuit Court of Taylor County's order enforcing an oral settlement reached during court-ordered mediation and dismissing his claims.
STANDARD OF REVIEW	Whether an agreement falls within the Statute of Frauds is reviewed de novo. An order enforcing a settlement agreement reached through court-ordered mediation is reviewed for abuse of discretion.
PRECEDENTIAL VALUE	Memorandum decision under West Virginia Rule of Appellate Procedure 21; the source does not state a separate precedential designation.
PARTIES	G. Thomas Bartlett, III v. Mary Louise Lipscomb

TOPICS

mediation · contracts · statute of frauds · appellate procedure · standard of review

PRACTICE AREAS

civil procedure · contracts · mediation · real property · oil and gas

QUESTIONS PRESENTED

1. Whether the oral settlement agreement reached during court-ordered mediation was unenforceable under the Statute of Frauds because it contemplated the transfer of real-property interests.
2. Whether the requirements under Riner v. Newbraugh for enforcing an unsigned settlement agreement reached during mediation were satisfied.

HOLDINGS

1. The Statute of Frauds did not apply because the underlying action sought enforcement of a written contract requiring conveyance of mineral interests, and the mediation agreement was a compromise resolving that contractual dispute rather than an oral contract for the sale of land.
2. The circuit court did not abuse its discretion in enforcing the oral settlement because the record established that the parties reached an agreement, a memorandum and deeds were prepared at the mediator's direction, the agreement was reached free of coercion, mistake, or unlawful conduct, and the circuit court made findings sufficient for appellate review.

KEY QUOTATIONS

> *"A settlement agreement reached during, or as the result of court-ordered mediation, which does not fully comply with West Virginia Trial Court Rule 25.14, may be enforced by the circuit court where (1) the parties to the mediation reached an agreement; (2) a memorandum of that agreement was prepared by the mediator, or at his direction, incident to the agreement; (3) the circuit court finds, after a properly noticed hearing, that the agreement was reached by the parties free of coercion, mistake, or other unlawful conduct; and (4) the circuit court makes findings of fact and conclusions of law sufficient to enable appellate review of an order enforcing the agreement."* (5)

> *"There clearly was a meeting of the minds at the mediation session; Mr. Bartlett later changed his mind."* (6)

> *"For the foregoing reasons, we find that the parties entered into a binding oral settlement agreement at court-ordered mediation. We therefore affirm the circuit court's March 6, 2014, order."* (7)

FACTUAL BACKGROUND

Mildred B. Tucker's estate included oil and gas mineral interests, and Bartlett and Lipscomb disputed Bartlett's claim that Lipscomb was obligated to convey her interests under a written distribution agreement. After the circuit court ordered mediation, the parties and their attorneys participated in a three-hour session, and the mediator reported that they reached an agreement under which Lipscomb would transfer specified mineral interests while retaining certain overriding royalty rights. Bartlett initially manifested assent but later refused to sign the settlement documents and argued that there had been no meeting of the minds and that the Statute of Frauds barred enforcement.

PROCEDURAL HISTORY

Bartlett filed a declaratory-relief complaint seeking to compel Lipscomb to transfer oil and gas mineral interests under a written distribution agreement. After the circuit court denied Bartlett's summary-judgment motion, it ordered mediation. Following the mediation, the circuit court held a hearing, found that the parties had reached a binding oral settlement, and entered an order enforcing the settlement and dismissing Bartlett's claims. The Supreme Court of Appeals affirmed.

DISPOSITION

affirmed

CASES CITED

- Riner v. Newbraugh, 221 W. Va. 137, 563 S.E.2d 802 (2002)
- Chrystal R.M. v. Charlie A.L., 194 W. Va. 138, 459 S.E.2d 415 (1995)
- Burdette v. Burdette Realty Improvement, Inc., 214 W. Va. 448, 590 S.E.2d 641 (2003)
- Kennedy v. Burns, 84 W. Va. 701, 101 S.E. 156 (1919)
- Brown v. Gray, 68 W. Va. 555, 70 S.E. 276 (1911)
- Waddle v. Elrod, 367 S.W.3d 217 (Tenn. 2012)