

IN THE COURT OF COMMON PLEAS OF LYCOMING COUNTY, PENNSYLVANIA

GEORGE E. LOGUE, JR. and MOLLY M. LOGUE,	:	
Plaintiffs	:	DOCKET NO. 12-00,020
	:	CIVIL ACTION – LAW
vs.	:	
	:	PRELIMINARY
ANADARKO E&P COMPANY, LP,	:	OBJECTIONS
Defendant	:	

**OPINION AND ORDER**

AND NOW, this 23<sup>rd</sup> day of May, 2012, following oral argument on Plaintiffs' Preliminary Objections to Counterclaims of Defendant, it is hereby ORDERED and DIRECTED that Plaintiffs' objections are SUSTAINED in part and OVERRULED in part; in particular, Plaintiffs' objection to Count II (Breach of Contract) of Defendant's Counterclaims is OVERRULED, and Plaintiffs' objections to Count III (Monetary Damages) and Count IV (Slander of Title) of Defendant's Counterclaims are SUSTAINED. Count III and Count IV of Defendant's Counterclaims are hereby STRICKEN from the record. This Court will specifically address each of these counts in turn.

Regarding Count II (Breach of Contract), in order to establish a claim for breach of contract, three elements must be alleged: "(1) the existence of a contract, including its essential terms, (2) a breach of a duty imposed by the contract and (3) resultant damages." *Corestates Bank v. Cutillo*, 723 A. 2d 1053, 1058 (Pa. Super. Ct. 1999). In this instance, this Court believes that Defendant plead sufficient facts to establish a breach of contract claim. Therefore, this Court will overrule Plaintiffs' objection to Count II.

However, regarding Count III, entitled "Monetary Damages," this Court believes that Count II (Breach of Contract) and Count III (Monetary Damages) are duplicative. Monetary damages result from a breach of contract. *See id.* In Count III, Defendant does not allege the

breach of a second contract or any other cause of action; Defendant merely alleges that it “cannot make full and profitable use of its leasehold interest, including Anadarko’s ability to develop the leased oil and gas interest and its ability to convey its leasehold to other parties, which has caused Anadarko to sustain financial loss in an amount which is undetermined.” Def.’s Answer and New Matter to Complaint and Counterclaim, 21. This Court believes that these damages are the same damages, including possible consequential damages, Defendant requests as a result of its breach of contract claim. Therefore, this Court will sustain Plaintiffs’ objection to Count III, as a cause of action is not stated.

Lastly, regarding Count IV (Slander of Title), this Court does not believe that Defendant has sufficiently alleged a slander of title claim. In *Pro Golf Mfg., Inc. v. Tribune Review Newspaper Co.*, 809 A.2d 243, 246 (Pa. 2002), our Supreme Court held that:

[d]isparagement of title, variously labeled slander of title, defamation of title, or in other contexts, slander of goods, trade libel or injurious falsehood, is the false and malicious representation of the title or quality of another’s interest in goods or property.

*Id.* (citing *Triester v. 191 Tenants Ass’n*, 415 A.2d 698, 701 (Pa. Super. Ct. 1979)). In order to bring a claim under any of these labels, four elements must be alleged:

(1) the statement is false; (2) the publisher either intends the publication to cause pecuniary loss or reasonably should recognize that publication will result in pecuniary loss; (3) pecuniary loss does in fact result; and (4) the publisher either knows that the statement is false or acts in reckless disregard to its truth or falsity.

809 A.2d at 246 (citing *Pro Golf Mfg., Inc. v. Tribune Review Newspaper Co.*, 761 A.2d 553, 555-56 (Pa. Super. Ct. 2000)). Therefore, to bring a slander of title claim, malice must be alleged. *Id.* See also *Forman v. Cheltenham Nat’l Bank*, 502 A.2d 686 (Pa. Super. Ct. 1985). However, “a person is conditionally privileged to disparage another’s property in land... by an assertion of an inconsistent legally protected interest in himself.” 502 A.2d at 688. This privilege is “abused only when the claimant does not believe honestly or in good faith believe

that there is a substantial chance in his claim being sustained.” *Id.* (citing Restatement, Second, Torts § 647 (1997)).

In this instance, Plaintiffs alleged that they acquired a seventy-five percent ownership interest in all of the oil and gas underlying the real estate in question by deed dated January 28, 2010. Complaint, 1. Plaintiffs alleged that they acquired the remaining ownership interest in the oil and gas when Defendant failed to contact them to extend the primary term of its lease. Complaint, 3. Based upon Plaintiffs’ initial ownership interest and standing legal claim, this Court believes that Plaintiffs fall within the protection of the conditional privilege. *See* 502 A.2d at 688. Therefore, this Court will sustain Plaintiffs’ objection to Count IV because, due to this conditional privilege, Defendant has not sufficiently alleged facts that support a slander of title claim.

Plaintiffs shall file a reply within twenty (20) days of the date of this order.

BY THE COURT,

\_\_\_\_\_  
Date

\_\_\_\_\_  
Richard A. Gray, J.

RAG/abn

cc: Joseph R. Musto, Esquire  
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