

SAN JUAN BASIN ROYALTY TRUST

Form 8-K

August 01, 2014

UNITED STATES

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 8-K

CURRENT REPORT

Pursuant to Section 13 or 15(d)

of the Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): August 1, 2014

San Juan Basin Royalty Trust

(Exact name of registrant as specified in the

Amended and Restated San Juan Basin Royalty Trust Indenture)

Texas
(State or other jurisdiction
of incorporation or organization)

1-8032
(Commission
File Number)

75-6279898
(I.R.S. Employer
Identification Number)

Compass Bank, Trust Department
300 W. 7th Street, Suite B
Fort Worth, Texas **76102**
(Address of principal executive offices) **(Zip Code)**
Registrant's telephone number, including area code: (866) 809-4553

N/A

(Former name or former address, if changed since last report.)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- .. Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- .. Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- .. Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- .. Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Item 8.01 Other Events.

A press release was issued on July 31, 2014 announcing the filing of a lawsuit by the Trustee against the principal operator of the underlying oil and gas properties in which the Trust owns an interest. The case is styled Compass Bank, in its Capacity as Trustee of the San Juan Basin Royalty Trust v. Burlington Resources Oil & Gas Company LP and BROG GP LLC, No. D-101-CV-2014-01765, and was filed in the 1st Judicial District Court for the County of Santa Fe, State of New Mexico. The Trust asserts claims for breach of contract and breach of the implied covenant of good faith and fair dealing, and seeks a declaratory judgment arising out of a number of unresolved revenue and expense audit exceptions asserted by the Trust's auditors. More particularly, the claims involve Burlington's failure to properly account for and pay net overriding royalty interests to the Trust with respect to oil and gas production from numerous properties in the San Juan Basin of northwestern New Mexico. Based on information currently available to the Trust and its auditors, the Trust seeks monetary relief (including actual and punitive damages, costs, expenses, interest and attorney fees) in excess of \$12,000,000, along with specific performance of certain contractual obligations, declaratory relief and a judgment for other relief to which it may show itself to be justly entitled.

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits.

99.1 Press release, dated July 31, 2014.

In accordance with general instruction B.2 to Form 8-K, the information in this Form 8-K shall be deemed furnished and not filed with the Securities and Exchange Commission for purposes of Section 18 of the Securities Exchange Act of 1934, as amended, or otherwise subject to the liabilities of that section.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

COMPASS BANK, AS TRUSTEE FOR THE
SAN JUAN BASIN ROYALTY TRUST
(Registrant)

By: /s/ Lee Ann Anderson
Lee Ann Anderson

Vice President and Senior Trust Officer

Date: August 1, 2014

(The Trust has no directors or executive officers.)