

McAfee & Taft

The First 70 Years

by

M. Scott Carter



"Every telephone call received,
every letter issued,
every document produced and exhibited,
every appearance in court
or in conference,
has a bearing upon the image
the firm builds for itself."

Kenneth E. McAfee



1952-2022

McAfee & Taft

The First 70 Years

M. Scott Carter

McAFEE&TAFT
MEDIA PRODUCTIONS

OKLAHOMA CITY, OKLAHOMA

McAfee & Taft — The First 70 Years

By M. Scott Carter

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Published by:

McAfee & Taft A Professional Corporation

Two Leadership Square • 8th Floor

211 N. Robinson • Oklahoma City, OK 73102-7103

(405) 235-9621 • www.mcafeetaft.com

Project website:

www.mcafeetaft.life

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Printed in the United States of America

First Edition

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Editors' Note

This book has, from the very beginning, been a collaborative effort. Dozens of people have shared their time and their stories with us. We greatly appreciate their efforts and their willingness to sit down with us and help us tell this story of McAfee & Taft.

At times, these stories varied from person to person. In those cases, when discrepancies arose, we did our best to convey the information as accurately as possible.



We want to extend a very special thank you to **Terry Barrett**, who was truly an invaluable resource for this project. He recognized the need many years ago to document the who, what, when, where, why and how of the firm's culture, its people, their personalities and stories, noteworthy deals and transformational transactions, landmark cases and precedent-setting victories, and the firm's enduring legacy of distinction, innovation and collaboration.

Terry Barrett retelling humorous Ken McAfee stories.



In the years leading up to his retirement, Terry shared stories with everyone at McAfee & Taft about the firm's early partners — Ken McAfee, Dick Taft, Stewart Mark, Reford Bond, Joe Rucks, Pete Woodruff, and Gene Kuntz — in an email series appropriately titled “Now, don’t you think you needed to know that?” And that work, along with his gracious time providing answers to countless questions and sharing documents, artifacts and memorabilia, served as the launching point for this extensive history project.

We would also like to thank **Mike Joseph** for the thousands of snapshots that he’s taken of firm attorneys and staff over the years since first arriving at the firm in 1978. Without his extensive library of photos, many of the images shared in this book, the companion history website, and related videos would not have been possible. We are very grateful for his contributions that provided some of the only images we have of some attorneys and staff that are part of the firm’s history.

Finally, we thank everyone else who also contributed to this project through interviews and providing documents, artifacts and memorabilia. They include **Donna Bennett, Alysoun Hunt Bond, Mark Burget, Elizabeth Dalton, Cliff Dougherty, Ted Elam, Connie Fuller, Gary Fuller, Virginia Fulton, John Hermes, Frank Hill, Larry Huffman, Dudley Hyde, Lynn Fraser Jaslowich, Myrna Latham, Michael Lauderdale, Mark Malone, Karen Kuntz Maloy, John and Carolyn Mee, Rick Mullins, Richard Nix, Betty Northcutt, Trisha Perdue, Cynthia Bond Perry, Frank Polk, Louis Price, Teresa Purcell, Dee Replogle, Mark Rhodes, Rick Riggs, Reid and Jean Ann Robison, Bill Rodgers, Patricia Rogers, Sharon Selby, Linda Steinke, Pete Van Dyke, Judy Webb, Jaci McAfee Williams, Terri Anne Williams, Betsy Wood, and Jenny Woodruff.**



Among the most treasured sources of unique background information, interesting personal stories, and intriguing memorabilia for this monumental history project were the daughters of the firm's founders — Jaci McAfee Williams (top left), Karen Kuntz Maloy (top right), Cynthia Bond Perry (bottom left), and Jenny Woodruff (bottom right) — who were extremely generous with their time and contributions.





[ABOVE]

In an interview about what he learned when writing this book, author M. Scott Carter talks about what he found most interesting about the firm's rich history, the compelling stories about its people, and the remarkable role it has played in the city and state's growth in the early years through today.

[BELOW] During the research for this project, the editors and author combed through hundreds of historical documents, artifacts and memorabilia gathered from current and retired attorneys and staff as well as family members of some of the firm's founders and early attorneys. These World War II era mementos were the property of retired Army colonel and firm legend Joseph Rucks, who passed them down to Terry Barrett.



Author's Note

When historians write of Oklahoma, more often than not those histories focus on well-known, touchstone-style events: the Land Run, statehood, the Dust Bowl, the Great Depression, or the Murrah Building bombing.

These events, though important, are huge, bright images on the canvas of our state. However, these stories often overwhelm the full story of Oklahoma; and while they are part of our collective history, they don't reflect our entire history.

That history is found in Oklahoma's people.

The history of their failures and their successes; the history of resilient, smart and stubborn Oklahomans who overcame seemingly impossible obstacles to become successful.

Such is the history of the state's largest law firm, McAfee & Taft.

Founded in 1952 by Kenneth McAfee and Richard Taft, the history of the firm parallels the history of Oklahoma City and, to a larger extent, the state of Oklahoma itself. The firm, intertwined with our collective story, has represented clients in the energy, aerospace and banking industries, as well as almost every aspect of business in Oklahoma.

McAfee & Taft attorneys have trained and educated new generations of attorneys for decades. They have developed new tools and techniques that set national standards for innovative problem-solving, including the registration of the nation's first drilling fund with the Securities and Exchange Commission.

McAfee & Taft has also worked to assist clients through many of

our darkest moments, and helped those who've suffered to become successful again.

Today, McAfee & Taft has offices in Oklahoma City and Tulsa, Oklahoma, as well as Springfield, Missouri. The firm and its people continue to develop new and unique ways to serve their clients and their state. Hardworking, smart and dedicated, they are part of the fabric of the Sooner State.

This is their story.

Prologue

Oklahoma. The name is Choctaw for “Red People.”

Located close to the center of the United States, the state of Oklahoma occupies a 1,877,640-acre spot nestled in the heart of the Great Plains. Originally part of the “Unassigned Lands,” what is now Oklahoma City was included in the area opened for settlement in the spring of 1889.

That event, which Oklahomans lovingly refer to as the Land Run, was the first of five such runs between 1889 and 1895 that settled the 46th state. A sixth opening — a lottery — would give away land for settlement instead of forcing settlers to race for property.

The lure of free land drew thousands from across the country. For many, the chance to build a new territory, to start their lives over, was captivating. But there was a catch: Getting land was one thing; keeping it, though, was something else. Once a homestead had been registered, the clock began ticking. A homestead — usually about 160 acres — had to be “proved up” or the homesteader lost their land. Proving the land meant paying the registration fee and, most often, building a structure and occupying the land for five years. For some, the structure was no more than a simple tent.

By the end of the day on April 22, 1889, more than 50,000 hopefuls had claimed almost 2 million acres of Oklahoma Territory. By December, the population of Oklahoma Territory had jumped to 62,000.



It was in this way that Oklahoma City was born.

Historian Roy Stewart wrote that Oklahoma City was “born grown.” Originally a railroad hub for the new territory, Oklahoma Station — the forerunner to Oklahoma City — consisted of a house for a railroad agent, railroad tracks and four other buildings.

But by April 23, 1889, Oklahoma City was home to 12,000 souls.

“The rest was prairie land with low curving hills covered with high grass and thick timber,” Stewart wrote. “This was as far as the eye could see and nothing else.”

For a while, chaos reigned. “Claimants were trying to hold their space against trespassers,” Stewart wrote, “to erect a tent or some form of shanty to prove occupancy or, after being bumped off one location, trying to find another soul more timid whom they could bounce in turn.”

To make matters worse, the settlement that would become Oklahoma City wasn’t the seat of government. Oklahoma’s territorial capital was Guthrie, a much larger city located about 25 miles north. Though Oklahoma City would eventually emerge the victor in the fight for the seat of state government, that fight would take more than 20 years, numerous elections, and more than one questionable political deal.

Still, Oklahoma City grew. And it grew quickly.

In 1907, Oklahoma became the 46th state in the Union. Oklahoma City now rivaled Guthrie in population, and just three years later, the

[LEFT] Bird's eye view of Oklahoma City, Indian Territory (OK), on May 6, 1889.

[PHOTO BY PHILLIP A. MILLER, COURTESY OF THE OKLAHOMA HISTORICAL SOCIETY]

[RIGHT] Framed by the steel of the under-construction Biltmore Hotel are the First National Bank Building and Ramsey Tower, as seen by the riveters working on the hotel on Grand Avenue in 1931.

[COURTESY OF THE OKLAHOMA HISTORICAL SOCIETY]



city's first cattle stockyard opened. In 1928, the discovery of oil within Oklahoma City limits caused the area to become a major center for oil and gas production.

But at the turn of the decade, the economy would skid to a halt.

A drought, coupled with the crippling effects of the Great Depression, stopped Oklahoma City and the rest of the state's growth. The opening of the great East Texas oil field caused an oil glut. Oil prices fell; thousands of Oklahomans lost their jobs.

By the winter of 1932, the jobless rate exceeded 300,000, and farm income had fallen by 64%.

Times were hard. People suffered.

The Great Depression and the Dust Bowl hammered Oklahoma, testing its resources and displacing its residents. For many, the future was dark.

But for one young man from Arkansas, Oklahoma City — albeit mired in the Great Depression — was the perfect place to launch a career.

Enter Kenneth E. McAfee.

PART 1

The Founders

CHAPTER 1

Humble Beginnings

In 1934, life in Oklahoma was difficult. Oklahoma City, the state's largest urban center, struggled under the weight of the Great Depression. This young, vibrant city now faced a dismal economy and record unemployment. Even the 1932 election of Franklin D. Roosevelt as president did little to stop the pain.

True, Roosevelt's New Deal legislation brought funding for jobs and money for infrastructure to Oklahoma. But the president's ongoing political fight with Oklahoma Governor William H. "Alfalfa Bill" Murray blunted the state's recovery efforts and limited the effect of federal assistance programs.

In Oklahoma City, residents scrambled just to find food and shelter. The social net fractured. Crime increased.

During one bleak moment in 1931, 26 men were arrested outside a grocery store after a riot broke out over food. The Associated Press reported more than 500 men and women raided the grocery store near Oklahoma City's City Hall, shouting that they were hungry, frightened and jobless.

Across the state, thousands struggled. In rural Oklahoma, hundreds of families were preparing to abandon their farms and go west to California in search of work. Despite some relief efforts, the year of 1934

would prove to be just as hard as its predecessors.

One young man, however, thought differently.

Fresh out of law school, Kenneth E. McAfee believed that Oklahoma City would be a great place to start his law practice.



A native of the mining town of Spadra, Arkansas, McAfee was born on August 27, 1903, to Thomas W. and Cora Mae McAfee. In an essay that outlines his family history, McAfee described his birthday as the day he “got his first spanking.”

Roughly 60 miles from the Arkansas-Oklahoma border, Spadra was nestled along the Arkansas River. There, McAfee’s mother ran a boarding house. His father and Uncle Charlie operated a meat market. “I was fourth in line of succession to one or both of those enterprises,” he quipped.



McAfee family portrait, with young Kenneth on his mother's lap.

[COURTESY OF JACI MCAFEE WILLIAMS]

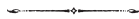
Three years later, the mines shut down. Few people were buying steak. Clients of the boarding house left. At the same time, McAfee's father began to lose his vision. A surgery to correct his father's eyesight, McAfee wrote, "only made matters worse."

With few prospects and little income, the family moved to a farm west of the Arkansas River, near Dublin, Arkansas. Five years later, in 1911, the family moved again, this time to a farm on Ellsworth Hill. McAfee's family continued to struggle, and his father's eyesight grew worse.

Four years later, in 1916, McAfee's family moved a third time: to Oklahoma. Eventually, his father's eyesight became so bad that the elder McAfee was not allowed to drive. "My family did not own [a car] until 1917 or 1918," he wrote, "although they were much in use by that time."

McAfee's family settled on a farm near Buckeye Scholl, about five miles from Okemah, Oklahoma. There, McAfee began to venture out on his own. A year later, his family moved again to the small town of Sasakwa, about 13 miles south of Wewoka in Seminole County. Kenneth McAfee remained in Buckeye Scholl, staying with the family of H.O. Griffith and his wife, Viola Griffith, a schoolteacher.

The area and life in the Griffith home, he wrote, "did much to instill in me a desire to learn."



In 1919, McAfee and his brother Conrad moved to Shawnee to attend business college. Though young — Kenneth McAfee was 16 at the time — he would essentially bypass high school and even spend some time at East Central State Teachers College (now East Central University) seeking an education.

In Shawnee, McAfee demonstrated his skill with numbers. He also had his first foray with the law — as a suspect in a robbery.

After spending a month in Sasakwa to help his parents with the harvest, McAfee returned to Shawnee and to his job at Brown's Boarding House, which was owned by the wife of the town's sheriff.

Popular and well-liked by the other residents, McAfee, who worked at the boarding house to pay for his stay, hadn't been home long when he was confronted by two men: the husband of one of the residents and the sheriff.

"After the dinner work was complete, I was visited in my room by Frank Buck and Mr. Brown (the sheriff)," he wrote. "They asked me to go with them to another room where I was questioned for two or more hours."

McAfee was questioned because Buck's wife had left her diamonds in the bathroom of the boarding house. The diamonds were gone.

"Obviously, Buck and Brown thought Ozzie Lee [Vanderhoofen, a waitress at the boarding house] had taken them and guessed that she may have passed them to me," he wrote.

Because McAfee couldn't immediately help the men figure out who had stolen the diamonds, the sheriff took him into custody.

He spent the night in jail.

"It wasn't a pleasant experience," he wrote.

Sometime later, the case was solved, and McAfee, who was innocent of the crime, successfully sued Buck for false imprisonment. The pair settled, and Buck paid McAfee \$500, the equivalent of about \$8,000 today.

Ozzie Lee, the waitress, was later tried and acquitted of the crime, but the event left her in difficult financial shape. "I did listen to Ozzie Lee's hard luck story and sent her \$125 out of my own wealth," McAfee wrote. "I think there was a thank you but no other word from her."

The story should have ended there.

However, many years later, McAfee encountered Frank Buck at a banquet.

"We visited without any mention of the prior events," he wrote.

After that, Buck would turn to McAfee for legal help. "I and my firm did several things for him. We later handled probate administration and other services for him, his wife, and his family," McAfee recounted.

Truth, McAfee's diplomacy, and his understanding of the law had prevailed.

Kenneth McAfee in front
of his Model T Ford, 1921.

[COURTESY OF JACI MCAFEE
WILLIAMS]

Two years later, when McAfee was 18, he quit his job at the boarding house and began attending high school in Wewoka. At the end of the school year, he and one of his brothers and two other friends pooled their resources and purchased a wrecked Model T Ford for \$50.



“We made harvest all the way to North Dakota and returned via Yellowstone Park,” he wrote. “On the return, I stopped in Hennessey and got a job at \$50 per month.”

He finished high school in Hennessey and was named valedictorian. In 1926, after spending another year there, McAfee moved to Norman to attend the University of Oklahoma.

At OU, McAfee excelled.

During the summer, he got a job installing an accounting system for Norick Brothers Printing Company in Seminole. Sparked by oil like Oklahoma City, Seminole had grown from a small town of about 1,500 to a bustling city of more than 60,000.

But that growth sometimes made McAfee’s life difficult.

“The first summer [in Seminole] I lived in an umbrella tent with O’Neil Doss (son of my employer) and Van Heflin, who later became famous as a movie star,” he wrote. “The tent was large enough to get three Army cots in and out of the rain.”



The trio originally planned to have better accommodations, but a larger tent, purchased by Doss' father, had been stolen. Eventually, McAfee grew tired of outdoor living. "That fall," he wrote, "I moved my cot into a loft where they stored excess merchandise and lived there several months."

Van Heflin went on to become one of Hollywood's top stars during the 1940s, starring in movies such as "Gunman's Walk," "3:10 to Yuma," and "Shane." In 1942, Heflin won an Academy Award for Best Supporting Actor for his role in the film "Johnny Eager."

Forced to leave OU to find work, McAfee, it seemed, thrived under difficult circumstances. By 1927, he had saved up enough money to return to the university and was close to finishing the requirements for a bachelor's degree.

Three years later, in 1930, he married Maxine Maples. Even as many Oklahomans struggled to find jobs with the onset of the Great Depression, McAfee remained employed, continuing to install accounting systems via his connections with Norick Brothers.

"By the end of that time, I was able to make a fairly decent living in that way," he wrote. "After my marriage in 1930, I took a full-time job,

but by this time, the competition for jobs was such that there was only limited compensation. My full-time earnings did not materially exceed what I had been able to earn at the accounting jobs while in school.”

McAfee wrote that he did “various jobs in the accounting field” and had steady employment with the Simpson Auto Company. Those relationships, along with gigs at Joe Chatman’s Varsity Bookstore and the S.R. Adams Drug Company, ensured that he was able to support himself and his wife.

At times, his work also proved unique.

In one instance, McAfee and several classmates performed a covert spy operation for the bookstore’s owner.

“The store had merchandise on the main floor of the building and in a basement,” he wrote. “I got some lists of the things in the basement. We would then purchase a book from the first floor and went to pay for it, but before the money got into the cash register, we would remember we needed a book from the basement,” he wrote.

On at least two occasions, McAfee said, one clerk registered only one of the two items. That unfortunate clerk would lose his job.

A second incident, this one involving a local singer and a popular song, would again demonstrate McAfee’s negotiation skills. The singer, Pinky Tomerlin, wanted Joe Chatman, the bookstore owner, to purchase a share in his song, “Object of My Affection.”

“This was during my last year at school, and Joe asked me to write up whatever he should have to prove ownership,” McAfee said. “Consequently, I wrote up an assignment of one-half interest in the copyrights and an agreement for showing incidental benefits derived from personal appearances, etc., as well as royalties.”

The song proved popular and generated revenue for Tomerlin.

However, Tomerlin forgot — or neglected — to report or account to Joe “even after he drove past the store in his shiny new chauffeured Cadillac.”

Chatman turned to McAfee for help.

McAfee, in turn, offered to negotiate. Tomerlin refused his initial settlement proposal of \$300.

“Pinky probably was too busy to give us much attention, so when he arranged for a personal appearance at a theater in Tulsa, I arranged to be there with a summons, which was served on him backstage,” McAfee wrote.

Eventually, the case was settled — for a much higher fee. McAfee said this fee alone helped pay the doctor and hospital bills associated with the birth of his daughter, Jacquelyn.

McAfee returned to OU in the fall of 1931 and finished college in 1934, earning both a bachelor’s and a law degree. Maxine, his wife, finished her degree at the same time.

A short time later, while on a trip to British Columbia, McAfee learned he had been admitted to the bar.



Fresh out of college, a newly minted attorney, Kenneth McAfee needed a place to launch his career. He found it in Oklahoma City.

Though his funds were sparse, and the country remained deep in the throes of the Great Depression, McAfee and his friend P.C. Lackey leased space in Oklahoma City’s Hightower Building and opened their firm.

“The space had a reception room just large enough for a small steno desk and two chairs. The office, itself, was about 10 feet square,” he wrote.

The pair hired a secretary at \$5 per week and opened their doors.

McAfee would later quip that the secretary “probably made more at the office than we did.”

The McAfee-Lackey partnership would be short-lived, though. Lackey left the firm for a job with the federal Department of the Interior in Santa Fe, New Mexico, while McAfee continued to practice law and install accounting systems for Norick Brothers.

Change would come again in 1934.

With a \$150 per month contract from the Simpson Auto Company,



[ABOVE] North Oval of the University of Oklahoma, circa 1930s.

[PHOTO BY TRUBY STUDIO, COURTESY OF THE OKLAHOMA HISTORICAL SOCIETY]

[RIGHT] Kenneth McAfee, Class of 1934.

[COURTESY OF JACI MCAFEE WILLIAMS]



and what McAfee described as “some incidental fees” from other clients, McAfee set out on his own. His workload increased; he needed help.

That help would arrive in the guise of Paul Brown, a friend from the University of Oklahoma.

The pair formed a partnership, and in 1934, Brown and McAfee began operations on the 12th floor of Oklahoma City’s Ramsey Tower. “We agreed to get an office together and operate as Brown and McAfee,” McAfee wrote. “We agreed to share expenses, but each had his own practice.”

The partnership continued until 1949 when, McAfee said, both practices required more assistance.

World War II interrupted McAfee's legal career. It also forced him to come clean about his middle name.

McAfee's daughter, Jaci Williams, said her father had, for years, told friends and family that his middle name was Eugene. However, once he enlisted in the Navy, he had to "own up" and admit "that his actual name was 'Kenneth Emberry,' because that's what was on his birth certificate," she said.

It seems that McAfee found the name Eugene more accommodating than his birth name of Emberry. "He always signed Kenneth E. McAfee, but I didn't know he'd been a 'Eugene' until I heard that story and saw it on his birth certificate," his daughter said.



[COURTESY OF JACI MCAFEE WILLIAMS]

In the fall of 1942, McAfee joined the U.S. Navy.

His daughter watched him leave. "I remember being five, and then he joined the Navy," Williams said. "He went to the East Coast for his officer's training."

McAfee's tenure in the Navy took him and his young family across the country and eventually to Coronado, California, where he was stationed up and down the coast in naval intelligence. His daughter said he was training to be a beachmaster when the war ended.

"He also managed a hotel in Florida during a hurricane,"

Williams said. "I have no idea why or when, but it was in a letter he wrote to my mother. [He was] a very versatile, dependable and intelligent man."

In 1945, following the war's end, McAfee returned to Oklahoma City, even though it wasn't his first idea. According to Williams, McAfee would have liked to stay in the Navy, but his wife refused to let him.

The showdown caused some tension in the family, but eventually, McAfee yielded. "She wanted to come back, and we came back," Williams said.

The family stayed in Norman for a short time, then moved back to Oklahoma City.

The decision to return to Oklahoma would prove fruitful and, over the course of the next few years, dramatically change McAfee's life.

CHAPTER 2

A Card Game, a Handshake, and a Groundbreaking Idea

By 1949, the United States finally emerged from the shadow of the Great Depression and World War II. For Kenneth McAfee, the end of the war meant a return to Oklahoma City and the law.

For a short time, McAfee and Brown resumed their partnership. The practice grew along with the client base. McAfee's new clients included Oklahoma City's First National Bank and Trust Company.

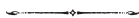
Because the Great Depression had forced the bank, along with many others across the nation, to charge off many non-paying accounts, First National's profits had dramatically declined. At the same time, however, the bank's income taxes remained high.

The bank asked McAfee for his help with its tax issues.

Several of the bank's accounts, which had previously been listed as non-payment, had improved to the point that substantial recoveries were made. McAfee leveraged the recovered accounts against a tax rule that said a bad debt that had not reduced taxes when charged off would not increase taxes when recovered.

McAfee's efforts helped the bank obtain a refund of about \$200,000.

"That was substantial in those days," he said.



By 1949, McAfee moved to a separate office from Brown. Now a solo practitioner, he expanded his law practice well beyond its original scope and embraced the industry that molded a large part of Oklahoma City's future: oil and gas.

Just a year after his return to Oklahoma, McAfee stepped onto the national stage, registering the nation's first drilling fund with the Securities and Exchange Commission.

The story of that event starts simply enough: with a card game.

"In the early days of my practice, 1934 to 1940 or so, I found more leisure time that I liked," McAfee wrote. "On occasion, I played pitch [a card game] with other business people who also had some spare time."

Among those players was F. G. Blackwood, a petroleum engineer.

While McAfee played pitch with Blackwood, he came to know H. C. Wickham. Because of their shared interests, Wickham and McAfee formed a partnership to invest in mineral rights. "He was dealing in such rights," McAfee wrote. "I furnished some capital in excess of what he put in, and he selected and purchased the minerals."

Because Wickham was also a friend of Blackwood and certified public accountant John W. Nichols (who had formed a business partnership with Blackwood called Blackwood & Nichols Company), the four men often had lunch together. McAfee said the men became good friends.

In 1949, Blackwood and Nichols met with Clinton Davidson of New York. McAfee said the men wanted to create an oil well drilling venture. Blackwood & Nichols Company would conduct operations; Davidson would raise the money.

The idea, McAfee said, was to raise money and perform the operation where all the funds, except the actual expenses, would go into lease acquisitions and exploration.

"Their profit would be a share of the production, which would be free of charges, but they would also have to share paying its part of costs," McAfee said.



Registration No. 2-8063

SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D. C.

AMENDMENT No. 3

to

FORM S-1

REGISTRATION STATEMENT

Under

THE SECURITIES ACT OF 1933

Blackwood & Nichols Company*

AND

Davidson, Hartz, Hyde & Dewey, Inc.**

(Exact name of registrant as specified in charter)

Amending:

Prospectus

Exhibit

*KENNETH E. MCAFEE
First National Building
Oklahoma City, Oklahoma

(Name and address of agents for service)

**DONALD F. HYDE
61 Broadway,
New York, N. Y.

Exhibit 10(b)

LOWELL T. DAWYER
ATTORNEY

KENNETH E. MCAFEE
ATTORNEY—CERTIFIED PUBLIC ACCOUNTANT
FIRST NATIONAL BUILDING
OKLAHOMA CITY 2, OKLAHOMA

November 27, 1950

Company
Building
Oklahoma

the contract between Davidson, Hartz, Hyde & Dewey, Inc. and Blackwood and Davidson, Hartz, Hyde & Dewey, Inc. will attempt to make available funds for the acquisition and development of Blackwood & Nichols Company will attempt to employ the funds for

contract, the parties operating under it will acquire leasehold or operating with the expectation of producing oil, and that expenditures of three far as the income tax laws are concerned.

ash bonus or give other consideration for the lease itself.

money for labor, fuel, wages, and other items, which in themselves are to have a salvage value, in the development of the property.

money for pipe, equipment, and storage facilities and possibly other re generally considered to have salvage value.

it is my opinion that any amounts paid for a leasehold interest will be there and cannot, at the time, be charged to expense. Such leasehold at the time the lease is surrendered or abandoned.

in 29.23 (m) - 16 cover the deductibility of the items in No. 2 and related, pursuant to election made by the taxpayers. This election is changed without consent of the Commissioner of Internal Revenue.

or be charged off as intangible development costs must be capitalized. applicable to the equipment in and about the well must be charged to

OIL

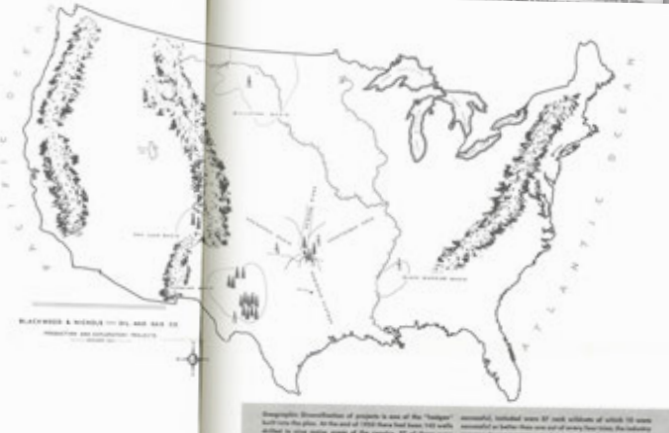
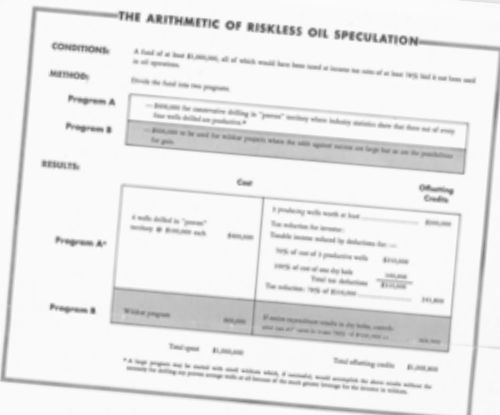
A BARGE SHORT is making its debut. Transwestern underground gas pipelines three times as much of the well have and flow into the Gulf. This is the result of one hundred wells planned in the Woodhouse & McArthur Unit, 10, 12, 14, 16, 18, 20, 22, 24, 26, 28, 30, 32, 34, 36, 38, 40, 42, 44, 46, 48, 50, 52, 54, 56, 58, 60, 62, 64, 66, 68, 70, 72, 74, 76, 78, 80, 82, 84, 86, 88, 90, 92, 94, 96, 98, 100, 102, 104, 106, 108, 110, 112, 114, 116, 118, 120, 122, 124, 126, 128, 130, 132, 134, 136, 138, 140, 142, 144, 146, 148, 150, 152, 154, 156, 158, 160, 162, 164, 166, 168, 170, 172, 174, 176, 178, 180, 182, 184, 186, 188, 190, 192, 194, 196, 198, 200, 202, 204, 206, 208, 210, 212, 214, 216, 218, 220, 222, 224, 226, 228, 230, 232, 234, 236, 238, 240, 242, 244, 246, 248, 250, 252, 254, 256, 258, 260, 262, 264, 266, 268, 270, 272, 274, 276, 278, 280, 282, 284, 286, 288, 290, 292, 294, 296, 298, 300, 302, 304, 306, 308, 310, 312, 314, 316, 318, 320, 322, 324, 326, 328, 330, 332, 334, 336, 338, 340, 342, 344, 346, 348, 350, 352, 354, 356, 358, 360, 362, 364, 366, 368, 370, 372, 374, 376, 378, 380, 382, 384, 386, 388, 390, 392, 394, 396, 398, 400, 402, 404, 406, 408, 410, 412, 414, 416, 418, 420, 422, 424, 426, 428, 430, 432, 434, 436, 438, 440, 442, 444, 446, 448, 450, 452, 454, 456, 458, 460, 462, 464, 466, 468, 470, 472, 474, 476, 478, 480, 482, 484, 486, 488, 490, 492, 494, 496, 498, 500, 502, 504, 506, 508, 510, 512, 514, 516, 518, 520, 522, 524, 526, 528, 530, 532, 534, 536, 538, 540, 542, 544, 546, 548, 550, 552, 554, 556, 558, 560, 562, 564, 566, 568, 570, 572, 574, 576, 578, 580, 582, 584, 586, 588, 590, 592, 594, 596, 598, 600, 602, 604, 606, 608, 610, 612, 614, 616, 618, 620, 622, 624, 626, 628, 630, 632, 634, 636, 638, 640, 642, 644, 646, 648, 650, 652, 654, 656, 658, 660, 662, 664, 666, 668, 670, 672, 674, 676, 678, 680, 682, 684, 686, 688, 690, 692, 694, 696, 698, 700, 702, 704, 706, 708, 710, 712, 714, 716, 718, 720, 722, 724, 726, 728, 730, 732, 734, 736, 738, 740, 742, 744, 746, 748, 750, 752, 754, 756, 758, 760, 762, 764, 766, 768, 770, 772, 774, 776, 778, 780, 782, 784, 786, 788, 790, 792, 794, 796, 798, 800, 802, 804, 806, 808, 810, 812, 814, 816, 818, 820, 822, 824, 826, 828, 830, 832, 834, 836, 838, 840, 842, 844, 846, 848, 850, 852, 854, 856, 858, 860, 862, 864, 866, 868, 870, 872, 874, 876, 878, 880, 882, 884, 886, 888, 890, 892, 894, 896, 898, 900, 902, 904, 906, 908, 910, 912, 914, 916, 918, 920, 922, 924, 926, 928, 930, 932, 934, 936, 938, 940, 942, 944, 946, 948, 950, 952, 954, 956, 958, 960, 962, 964, 966, 968, 970, 972, 974, 976, 978, 980, 982, 984, 986, 988, 990, 992, 994, 996, 998, 1000, 1002, 1004, 1006, 1008, 1010, 1012, 1014, 1016, 1018, 1020, 1022, 1024, 1026, 1028, 1030, 1032, 1034, 1036, 1038, 1040, 1042, 1044, 1046, 1048, 1050, 1052, 1054, 1056, 1058, 1060, 1062, 1064, 1066, 1068, 1070, 1072, 1074, 1076, 1078, 1080, 1082, 1084, 1086, 1088, 1090, 1092, 1094, 1096, 1098, 1100, 1102, 1104, 1106, 1108, 1110, 1112, 1114, 1116, 1118, 1120, 1122, 1124, 1126, 1128, 1130, 1132, 1134, 1136, 1138, 1140, 1142, 1144, 1146, 1148, 1150, 1152, 1154, 1156, 1158, 1160, 1162, 1164, 1166, 1168, 1170, 1172, 1174, 1176, 1178, 1180, 1182, 1184, 1186, 1188, 1190, 1192, 1194, 1196, 1198, 1200, 1202, 1204, 1206, 1208, 1210, 1212, 1214, 1216, 1218, 1220, 1222, 1224, 1226, 1228, 1230, 1232, 1234, 1236, 1238, 1240, 1242, 1244, 1246, 1248, 1250, 1252, 1254, 1256, 1258, 1260, 1262, 1264, 1266, 1268, 1270, 1272, 1274, 1276, 1278, 1280, 1282, 1284, 1286, 1288, 1290, 1292, 1294, 1296, 1298, 1300, 1302, 1304, 1306, 1308, 1310, 1312, 1314, 1316, 1318, 1320, 1322, 1324, 1326, 1328, 1330, 1332, 1334, 1336, 1338, 1340, 1342, 1344, 1346, 1348, 1350, 1352, 1354, 1356, 1358, 1360, 1362, 1364, 1366, 1368, 1370, 1372, 1374, 1376, 1378, 1380, 1382, 1384, 1386, 1388, 1390, 1392, 1394, 1396, 1398, 1400, 1402, 1404, 1406, 1408, 1410, 1412, 1414, 1416, 1418, 1420, 1422, 1424, 1426, 1428, 1430, 1432, 1434, 1436, 1438, 1440, 1442, 1444, 1446, 1448, 1450, 1452, 1454, 1456, 1458, 1460, 1462, 1464, 1466, 1468, 1470, 1472, 1474, 1476, 1478, 1480, 1482, 1484, 1486, 1488, 1490, 1492, 1494, 1496, 1498, 1500, 1502, 1504, 1506, 1508, 1510, 1512, 1514, 1516, 1518, 1520, 1522, 1524, 1526, 1528, 1530, 1532, 1534, 153

BUSINESS PROPERTY: A field of investment law, in a sense, that deals with the ownership and control of property, such as real estate, that is used in a business. It is a branch of property law that deals with the ownership and control of property, such as real estate, that is used in a business. It is a branch of property law that deals with the ownership and control of property, such as real estate, that is used in a business.

W hen Clarence Davidson first produced a plan to withdraw the oil with the possibility of less damage sustained by affording all major cities with tax savings, the public has to take not so capital gains, sophisticated investors only need not doubt their heads. But, after actually doing just that for a job of common and authentic information for the past few years, ending, push-back, Davidson is finally going to have the better organized a plan which is unique in both the oil industry and in financial circles.

For over three years, Davidson and his partner, Raymond E. Stern, have successfully weathered business down-turns and the total value of Federal income tax savings has been estimated at \$1.5 billion. The plan is a result of a series of tax savings which have been developed by the two men and their associates, a series of tax savings which include the use of

grips with Federal income tax rules and state apportionment laws, and the use of the Federal estate tax and Federal budget against the astronomical risk of oil exploration. These plans, largely financed by funds which the firm has paid out to the Government in taxes, has generated a net income for the company in 1974 of \$175 million.

[illegible]

the drilling and pick the location. But did I have enough to increase spending any more than to supplant my investment. Consequently, in the vast majority of instances, while I have several certain net advantages, I have lost all of the money for just it. I am well aware of the two advantages to be found in oil and regard it as one of the "low frontiers" to the man in the oil business/industry. Thus, if your organization, with the benefit of your long experience in financial management and the planning, were to supervise the operation from selection of the operator through the use treatment of existing production, you could count on it? This was clearly what the parties planned.

The Ingredients of Success

But, while they had the license, none of the signatories for a second campaign were still a long way from realization. Learning to act together was not the right combination of grace and feeling ability, absolute integrity and a capable imagination was of permanent importance. (Some of signatories were investigated and the prospects of having one who met all requirements began to seem dim at length in the middle of a big bid. Then a drastic intervention with Mr. John W. Fisher, Vice President of Bell Brothers, Inc., of Miami, Indiana, concerning the Bell family's more problems, occurred on summer holidays.)

"It is only after one talks with Blackman a [Blackian] that you begin to realize they have been so successful in the oil industry," says Charles W. Conway, Jr. "G. B. Blackman is a remote oil man who is so fully versed in a drilling he becomes a roughneck, mudman and derrick before one man gets around to inventing a profession. Blacks," as he is affectionately known by his associates, is a hardy oil man who looks like a fullback on an Oklahoma University football team but who got his rugged physique from working among their sections of drill pits. He knows the oil business from the ground up."

The operating partners, R. G. Buchanan, John W. Nichols and William Buchanan have shared growth widely throughout the life insurance and it is through such equitization that many successful "business" and "family" have obtained such success. In the accompanying material, you will see, "we are all in the top ten family, no matter who is holding a pack in the ground, we are all in the top ten." But meeting the need to make all. We produce much of our success fully and above from our many thanks to the life business."

Brewing Point of Expansion

Teaming up with The Oil and Gas Company group brought many problems to Blackwood & Nichols, among them the growing pains of expansion. Blackwood & Nichols knew that if they were going to play in the big league with their associates in The Oil and Gas Company limited, they had to have a top drawer staff. "Working together a winning team makes more sense than just the ability to meet clients offered by other companies," explained John Nichols. "To carry over on a large engineering the search, target the target and activities, which are usually based only on smaller companies, was a problem. We needed top men

in the professional class and to assure there is no real loss of anything which the system did not offer. Our answer was to let each man participate in the change which he helps create. For example, the major companies do not generally allow their engineers to hold executive positions (except in a small number of the companies). We have made it clear to our men in Westland's "Netherlands that they are free to get their own money into positions around the world that are drilling if they so desire." We have been able to attract to our organization some of the best men in the oil industry in this manner although this is only one of the "incentives" held out to our men.

"We were drawn to the big oil companies for longer than 200 and several other" partners. We not only followed the same attractions to these graduates which the major oil companies intended but also were added attractions, not too common in a rapidly expanding company which is practically free of debt and, moreover, a chance for complete responsibility in general management.

* Specific provisions in the contract between the members, the DRI and the Company and Microsoft and license holder, any of the parties hereto, from being the subject through the "law" itself, the determining use of the major share held in stock "all shall" submitted in certain capital advance the operators built back the financial base.

This "progressive" presentation paid just off heavily like Blackboard in Microsoft. For example, in early 1970 they hired Dick Diney, a young graduate just out of Oklahoma University. This was Diney's first job and he was assigned to "sit" on a wall in West Texas while the wall was drilling at relatively shallow depths. Later, when the well got down close to its primary objective of 13,500 ft (3,900 m), where, again, it drilled, it drilled on the surface, not below.

More important, perhaps, was to be assigned to the wall. But, in the meantime, Wang's job was to watch the operators and "sample" the mud periodically to "check" the drilling bit's progress through the log layers of geologic strata. Wang's new thought was to prove to his colleagues that he was worthy of this heavy responsibility, which he had spent years in school to earn.

"One day," in 1981, part 8, "I was working on a fragment which neither anybody brought to me, than even by me of the different and I thought to myself: After all, the earth is nothing more than a geological sandwich. The bread is the layer of sand, gravel and mud while the meat is the oil. If I run like through this sandwich and not taste the meat, why trouble? so he is drilling through all

often, even though the well was drilling at less than half of its full depth. They had reached the five thousand feet level when Wang announced with as much dignity as a surgeon's cut, "We're in!" How enough, a different fate waited him right. Unfailing enthusiasm and determination to prove himself worthy of greater responsibilities had paid off handsomely in production time as measured now.

Volunteering: Making a Difference

The focus of the group's plan, which has attracted many contributors because of its clarity, is a method of using profits and net savings to achieve its conservation-related objectives by offsetting the greater costs of engineering for truly big "bids" (see box on page 7). The Architects of Boston (ASB) specifically: "Only after enough of the bids have landed through conservation efforts to insure that no investor will lose money after taxes, the group stepped out to a major fundraising program to meet the big bids. While the odds are greatly improved in this later part of the program, investors are aware in the meantime that once it comes out of their big contracts, profits and net savings from earlier bidding will fully offset the cost in that, taking the pure's profit to a level, they have not lost a penny."

The traditional way of doing this, McAfee said, was by carving out an overriding royalty interest.

The problem, however, rested with the Internal Revenue Service, which was expected to take the position that anyone receiving an overriding royalty for services would have taxable ordinary income equal to the value of the override.

McAfee and his team thought differently.

“I was able to draft an instrument in which it was agreed that those putting up the first money would pay for the first well and thereafter the promoters would pay 25% of costs and receive 37.5% of the revenue,” wrote McAfee. “This became the agreement for the first fund.”

He also moved to better protect both the creators of the fund and the investors by registering the fund with the Securities and Exchange Commission (SEC).

“Before this I had, on occasion, represented royalty dealers who would buy a few acres of minerals and then sell them — usually outside of Oklahoma,” he wrote. “In connection with this I had filed forms required by the Securities and Exchange Commission to prove a sale could be made without actually registering with the SEC.”

McAfee said other attorneys had come to believe the U.S. Constitution allowed states to control their mineral rights and that “there was no basis for these filings except that it was easier than risking the litigation.”

But McAfee’s idea was something quite different. His group proposed to gather up money, select and purchase leases, and develop and operate them.

“I concluded that there was much more than just selling an interest in real estate,” he wrote. “In connection with the 1934 Act, the joint committee had indicated the act would protect such investors, so I made it a requirement that we register with the Securities and Exchange Commission.”

At first the SEC wasn’t quite sure what to do with McAfee’s proposal.

According to attorney Terry Barrett, McAfee filed what is known as

a drilling fund. “They had never heard of such a thing,” he said. “But McAfee worked it through.”

Barrett said the group’s first brochure “was over the top.”

“The income tax rate was around 90%, and if you were very rich, you were paying 90% of every dollar that you made to the government. Well, if you were in an oil and gas venture, you could write off your expenses. Equipment could be depreciated, and 27.5% of what was produced would be subject to depletion and tax-free by way of a credit you would get.”

The risk factor for a dry hole drilled by the fund, he said, was only a dime of every dollar spent.

“They tabbed it the ‘riskless oil investment,’” he said, “which, of course, you would never do today because it was full of risks.”

Eventually, McAfee and others involved were summoned to Washington, D.C., and “after several days of rewriting provisions,” the SEC accepted the filing as sufficient.

After the filing was accepted — the first in history — about \$1.5 million (more than \$17 million today) was raised and spent on exploration and development.

The result, McAfee said, was quite profitable.

“It just so happened that some of the wells that were drilled with that fund were just barnburners,” Barrett said. “And not only were they barnburners in the original formations that they were drilled to, but later additional formations were added, and then even later they started developing the coal beds out there.”

The fund’s investors read like a list of who’s who from both the business and entertainment industries: Col. Willard F. Rockwell Sr., top executives from General Motors, and actors, including Walter Pidgeon, June Allyson, Dick Powell, Ginger Rogers, Robert Taylor and Barbara Stanwyck.

The Northeast Blanco Unit (NEBU) and the successful development of the fund became a milestone for the firm. It also spawned the name of a restaurant in the Devon Tower, NEBU, which is still in operation today.



Aerial view of downtown Oklahoma City, OK, in July 1952.

[PHOTO BY MEYERS PHOTO SHOP, COURTESY OF OKLAHOMA HISTORICAL SOCIETY]

After that, McAfee's career, along with his workload and his reputation as an attorney, took off.

"He loved doing a deal," McAfee's daughter, Jaci Williams, said. "He loved standing and thinking about and then making a plan and then diving in. He was just an adventurer."

In addition to the Blackwood & Nichols fund, McAfee's clients included First National Bank, the Vose family, the Simpson Auto Company, Benson and Montin, and Norick Brothers.

Those connections helped McAfee build his firm. McAfee's extensive list of oil and gas companies added new clients to his firm. "He was very involved with a lot of the oil companies," Barrett said. "A lot of people knew McAfee as a lawyer and that McAfee achieved what other lawyers never thought of or what other lawyers never did."

McAfee's legacy, Barrett said, was that of being involved in Oklahoma City, "and his work was kind of the foundation of the oil and gas business in the state."

Still, McAfee didn't work in a vacuum. He surrounded himself with quality people and gave them room to work.

One of those was Betty Kilman Northcutt, a combination administrative assistant and certified public accountant. With Northcutt, McAfee not only had a top-flight employee, but also one of the state's first female CPAs.

"I remember when I passed the CPA, they put my picture in the paper as one of the first women," Northcutt said in a 2018 interview. "I wasn't the first one. There were some before me, but it was just strange."

McAfee, Northcutt discovered later, didn't expect her to pass the rigorous CPA exam on her first try. "I took it, and then one of his best friends told me later, 'Well, Mac said he's glad for you to take it. You won't pass, but it's good experience for you.'"

Northcutt proved McAfee wrong. She passed the test on her first attempt.

In his essay, McAfee wrote about Northcutt's success on her CPA exam, which was a "very, very rare thing." He added that he, too, passed the test in 1939, though it took two tries.

Northcutt, who died on July 23, 2020, worked for McAfee and Taft for more than 60 years. In 2021, the firm established The Betty Northcutt Employee of the Year Award — affectionately referred to as "The Betty" — to honor those who, like Northcutt, have made a significant impact on the firm's success through their talent, expertise, initiative, dedication, loyalty and respect for others.

Northcutt's association with McAfee predated her tenure with the firm. In 1950, acting on the advice of a university professor, she began working for solo practitioner Kenneth McAfee. Then, after taking a few years off to start a family, she rejoined him in 1957 at his new firm, McAfee & Taft.

"Betty was a beloved member of the McAfee & Taft family, and all of us who had a chance to be a part of Betty's life were beyond blessed," Managing Director Michael Lauderdale said. "The firm was the world to

Betty Northcutt (top right) with Judy Webb (top left) and Geraldine Hanna, three of the firm's longest-serving staff. Betty was the first to work with Mr. McAfee even before the McAfee & Taft firm was established; after taking a few years off, she rejoined the firm in 1957 and served more than 60 years. "Mrs. Hanna" was hired soon after the law firm was established and served for 44 years. Judy Webb joined in 1959 and holds the distinction of being the firm's longest-serving employee.

[PHOTO COURTESY OF JUDY WEBB]



her, and she took care of all of us at one time or another. She had a smile on her face and a kind word for everyone.”

A 1946 graduate of Classen High School, Northcutt earned her bachelor’s degree in business from the University of Oklahoma. In August 1951, Northcutt earned her CPA certification.

Attorney Richard Nix said Northcutt treated each member of the firm with love and respect.

“Nobody reflected those qualities or shared the love of our firm with others more than Betty,” Nix said. “She was one of a kind and literally would do anything for anyone. Of course, she also had a pretty good ‘bark’ but never a ‘bite.’ Betty made this firm better, and she took great pride in that fact. Betty will definitely be missed, but never forgotten.”

The small firm’s profile grew. More people. More prominence.

By 1951, McAfee knew he needed another attorney.

He would find it in Richard Taft.

Richard George Taft began his professional career as a certified public accountant; the law came second. But that combination was perfect for the partnership that would become **McAfee & Taft**.

Born on March 13, 1913, Taft grew up in Garber, Oklahoma, a small town about 10 miles from Enid. In 1935, he received his Bachelor of Science degree from the University of Oklahoma. Five years later, he earned a law degree from OU.

Then, he went to war.

With the onset of World War II, Taft joined the Army Air Corps, serving there until 1945. He left the Air Corps with the rank of lieutenant colonel. Records show that Taft served as the director of the Santa Ana Army Air Force Base, considered the nation's largest military air base at the time.

After the war's end, Taft returned to Oklahoma City, earned his CPA license, and launched a career as an accountant.

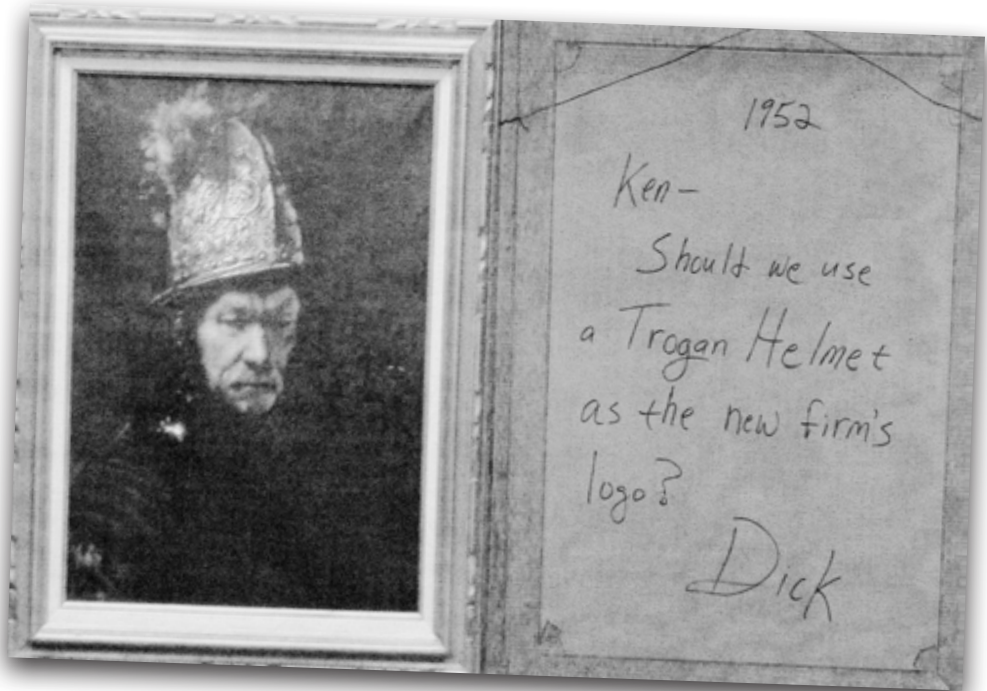
Fate, though, had other ideas.

Just six years after his return to Oklahoma City, in 1951, Richard Taft accepted an offer from Kenneth McAfee to join his practice. A year later, the two would partner to form **McAfee & Taft**.

The partnership was a handshake deal.

McAfee's business connections, coupled with Taft's skill as an accountant and attorney, laid the foundation for the firm of today. Taft, his friends said, was practical and inventive and, at the same time, had a deep respect for the limitations imposed by statutes and case law.

"Dick was primarily concerned with his clients' goals," his friend and fellow attorney John M. Mee said. "He loved nothing more than to find a way — and more often it was an inventive new way — to 'wire around the problem,'" he said.



Dick Taft's whimsical note to Ken McAfee soon after establishing their new law firm. [COURTESY OF JACI MCAFEE WILLIAMS]

Indeed, the idea of “wiring around the problem,” an idea that was first pushed by attorney and law professor Eugene Kuntz, became the firm’s unofficial motto.

Already a CPA, Taft focused his law practice on income and estate taxes, estate planning, probate, corporations and other securities matters.

“While he was a renowned tax lawyer,” Mee said, “his broad knowledge of the law and his power of recall were reflected in every aspect of his legal engagements.”

Taft, like his partner, also created national precedents that changed many aspects of both corporate and tax law in the United States.

Take, for example, the case *Keller v. Commissioner of Internal Revenue*. That case, appealed from the United States Tax Court to the 10th Circuit Court of Appeals, established the validity of a one-person professional corporation.

“The IRS had taken the position that there could not be such a thing as a one-person corporation,” Mee said. “Dick won that case. The case was a landmark case and followed by lawyers all over the United States.”

Just as McAfee had done with his SEC filing, Taft rewrote the rules regarding taxes and corporations. “We practiced law as partners, before the professional corporation was a permitted vehicle, and the fact that we did not even have or need a partnership agreement ... was the result of a sense of the great trust that Dick manifested and transferred to all of us,” Mee said.

Taft, Barrett said, was also a master at problem-solving.

“From a legal perspective, he loved nothing more than to find a way,” Barrett said. “He and McAfee made a great tag team. Both were innovative and aggressive, and those attributes were passed down by them to all the rest of us.”

Taft was also a connoisseur of the martini — the very strong martini. Two stories illustrate this.

“If you ordered a martini at the Beacon Club, it was served with a glass along with a chilled beaker of the main ingredient,” Barrett said.





Repeatedly described as the quintessential gentleman, Dick Taft was also considered "a master at problem-solving."

"When you poured it, you would find that it wasn't one, but two martinis — the beaker holding twice the content of the glass."

This tradition, Barrett said, began when Taft served as president of the club. "It allowed members, according to Mr. Taft, to be able to truthfully tell their wives that they only had one drink."

But Dick Taft wasn't just interested in quantity. Taft's martinis, the legend goes, had to be made properly with lots of kick — and the all-important olive.

"Once an obviously new person at the Beacon Club took Mr. Taft's order for a martini," said attorney Jerry Warren. "Taft was an olive man, but on this occasion, the martini was served with a twist. Taft, with his regal but gentlemanly best said, 'If I had wanted lemonade, I would have ordered it.'"

CHAPTER 3

Innovative and Aggressive

By 1952, the law firm known as **McAfee & Taft** had become part of Oklahoma City. The city's population had grown to 243,504, an increase of more than 58,000 from 1930.

The period following the end of World War II brought workers, prosperity, and heavy investments in government-funded infrastructure and expansion of the state's oil and gas industries.

It also brought growth for the firm.

During 1952, the firm hired staff and added a third attorney, Joe Gibson. The McAfee & Taft formula proved successful because "both men were innovative and aggressive," Barrett said.

They were also markedly different.

McAfee, the older of the two by a decade, was gregarious, down-to-earth, easy to talk to, and known for his hugs. "He would hug you," Judy Webb, a long-time employee who joined the firm in 1959, said. "He would always be [outgoing], but you still knew where your boundary was with him."

Taft, she said, was completely different. "Mr. Taft was a gentleman. He was very courteous, very kind, but you didn't talk to him the way you talked with Mr. McAfee."

Still, despite their differences, both men created an environment that



Mr. Taft



Mr. McAfee

allowed their employees to flourish. Even as the firm grew, there were no partnership or employment agreements.

“They never had a partnership agreement or any employment agreements,” attorney Gary Fuller, who joined the firm in 1965, said. “There were no agreements related to the governance of the firm.”

That style of operation would continue for years.

“Our business prospered, and sometime later, Dick did the registration of an oil well drilling deal in Colombia for Carl Anderson,” McAfee wrote. “We believe that was the first registration involved in raising funds in the U.S. for prospecting in a foreign country.”

More attorneys would follow. At the same time, the University of Oklahoma would add a new law professor — one who would, over the next few decades, play a major role in the life of the McAfee & Taft law firm: Eugene O. Kuntz.



Eugene Oscar Kuntz was born in Corpus Christi, Texas, on October 8, 1913. After graduating from San Jacinto High School, he attended Baylor University, where he received his Bachelor of Laws degree (LL.B.)

in 1939. He then joined a law firm in Amarillo, Texas, where he practiced for several years. He returned to Baylor to obtain his Bachelor of Arts degree in 1946 before proceeding to Harvard Law School and earning his Master of Laws (LL.M.) degree the following year.

Kuntz was first and foremost a scholar, attorney Philip Hart wrote. “Kuntz had the ability to foresee oil and gas law issues likely to come before the courts at a later time and to suggest a basis on which they might be resolved.”

Kuntz authored a six-volume work on oil and gas law, “Kuntz, A Treatise on the Law of Oil and Gas.” That work, considered to be the definitive examination of oil and gas law, continues to be quoted and followed by attorneys across the nation. Kuntz’s treatise also has been cited by the Oklahoma Supreme Court and many other states’ appellate courts.

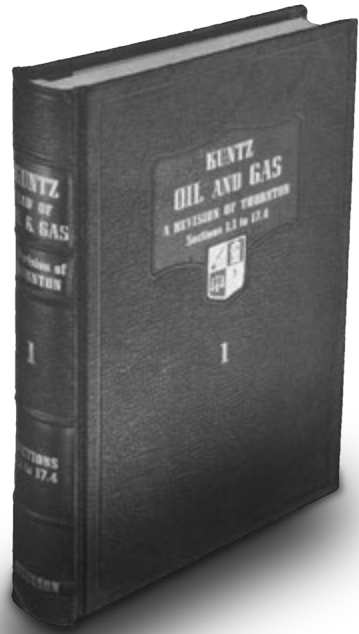
Kuntz the scholar was also Kuntz the attorney.

But he wouldn’t join McAfee & Taft immediately. In fact, it wasn’t until 1958 that he became a member of the firm. Prior to that time, he was a soldier, a musician and a sailor.

“Dad fibbed about his age in 1930 and enlisted in the Texas Cavalry,” Kuntz’s daughter, Karen Kuntz Maloy said. “It was an easy task, as he was so tall and mature-looking.”

Kuntz was honorably discharged from the Cavalry in 1933. He reenlisted in 1935 and was discharged again in 1938.

“One funny story he told from his Cavalry days was when they were having a trooping of the colors for a high-ranking official,” Maloy said. “As Dad’s unit rode in formation in front of the viewing stand, Dad felt



his saddle start to slip, and he was literally on the underbelly of his horse as they passed in review. He had failed to do a second tightening of the strap holding the saddle.”

Kuntz was also a capable musician. In 1931, he was in a small music combo, playing the bass fiddle. He also played tuba and performed with numerous groups to fund his education.

“The tuba went by the wayside before I came along,” Maloy said, “but the bass fiddle stayed.”

On December 23, 1939, Kuntz married his wife, Rose, in Temple, Texas. He married her again on March 9, 1940.

Kuntz married his wife twice, his daughter said, because World War II left the couple with no idea how long it would be before they could get married. To solve the problem, they did the first ceremony in Texas with friends.

Their parents were unaware of the union.

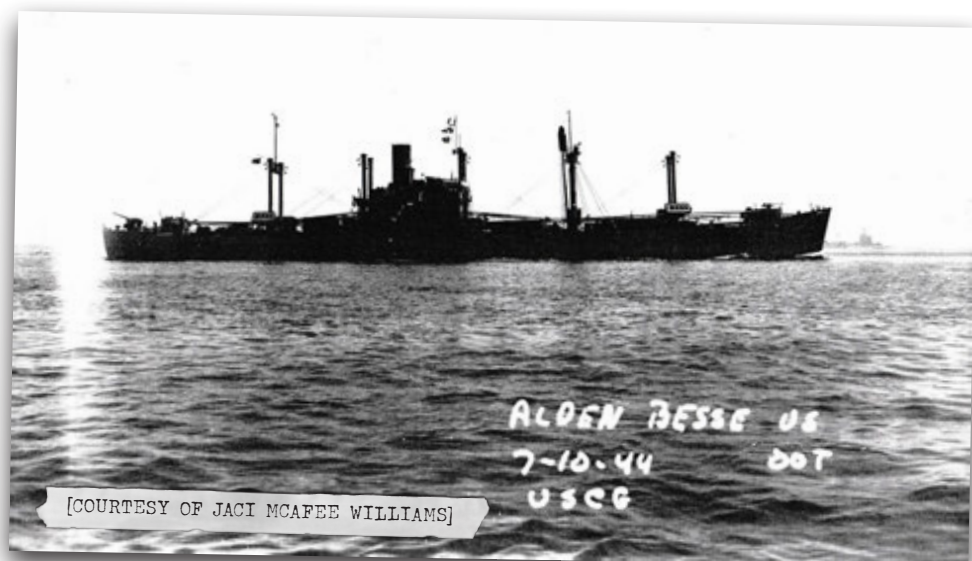
“Mom’s parents never knew what they had done, but her sister and brother-in-law did, as Mom and Dad stayed at their house the night before Mom put Dad on the train back to Amarillo,” Kuntz’s daughter said. “They knew they couldn’t wait a year or two for Dad to get established with the law office to have an official wedding, so they ‘officially’ got married on March 9, 1940.”

After that, Rose Kuntz tore up the first marriage license.

A short time later Kuntz, who had enlisted in the Naval Reserve because he didn’t want to go back into the Army, was called up for active duty. During his tenure in the Navy, he commanded the crews of four ships, including ships that delivered ammunition to France and Murmansk, Russia.

Kuntz was quiet about his wartime experience.

“Dad never talked about his World War II days, not even to my husband, who was in the United States Navy in Vietnam,” his daughter said. “All he ever told Mom about the Russia run was that the North Sea was a hazardous place to be.”



Kuntz's hesitancy is easy to understand. The Murmansk Run cost many lives. Records show that one convoy lost 24 of its 33 ships. The run was considered so dangerous that no merchant ship was allowed to stop, even to rescue sailors who fell overboard.

"Only eight or nine made it out of all the ships that went in," Karen Kuntz Maloy said. "And Dad was one of the eight that made it out."

"He was D-Day plus 14 when they took supplies to France and then the Russian Murmansk Run," Maloy said. That run, through the Arctic Ocean, would take war supplies to the Soviet Union.

Because Hitler's Germany understood the necessity of supply lines, the German military did their best to cut the flow of materials to the allies. The Battle of the Atlantic was considered the longest battle of World War II.

Its most dangerous battleground was the Murmansk Run.

After the war ended, Kuntz taught law at the University of Wyoming from 1947 until 1952 and at the University of Oklahoma from 1952 until his retirement in 1981.

In 1958, Kuntz joined McAfee & Taft.





"Gene and Rose" — May 1942

[COURTESY OF KAREN KUNTZ MALOY]

While Eugene Kuntz was known as a scholar and as an attorney, he was also a devoted husband. Kuntz and his wife, Rose, had a deep, caring relationship, his daughter said.

"They were always 'Gene and Rose.' Their relationship was just something that fairy tales are written about," said Maloy. "They were one and the same."

And though Gene was the author of a multivolume treatise on oil and gas law, it was Rose who helped make the updates, known as pocket parts, possible. "She did all of his research for him when he was doing his pocket parts and updating this treatise," Maloy said. "She would go find the cases for him, and she was the one cutting and pasting and putting everything together when stuff went to the publisher to update and get the pocket parts done."

"Gene's expertise extended beyond oil and gas law and included tax, trusts and estate planning," said attorney Philip Hart. "He especially enjoyed the challenge of persuading a court to construe a trust instrument written long ago to comport with the needs of its present beneficiaries."

As a teacher and scholar, Hart said, Kuntz's personal qualities included dedication to the task at hand, a (usually concealed) impatience with law students who came to class unprepared, unfailing consideration for the feelings of others, and an impish sense of humor.

Later, Kuntz would serve as the dean of the University of Oklahoma College of Law, holding that position from 1965 until 1970. He remained associated with McAfee & Taft until his death.

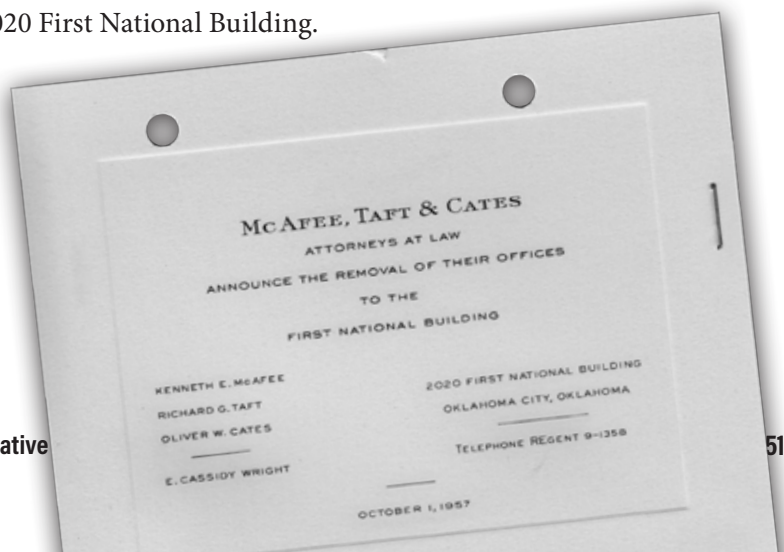


By the mid-1950s, Oklahoma — and by extension, Oklahoma City — was in the middle of the state's second oil boom. Records from the Oklahoma Geological Survey show the state's oil and gas industries experienced record growth following the end of World War II and up through the late 1950s.

At the same time, on the other side of the globe during November 1955, the United States began providing financial and military support for the south Vietnamese state following the French Army's withdrawal.

That growth, along with McAfee & Taft's expertise in oil and gas law, helped drive the law firm's expansion.

In 1957, the firm underwent its first name change — to **McAfee, Taft & Cates** — to include Oliver Wendall Cates, a lawyer-trained CPA whom they had lured away from a national accounting firm in 1953. The growing firm, which by this time also included attorneys Gary Williams and E. Cassidy Wright, required a new headquarters. The firm relocated to 2020 First National Building.



A short time later, in 1958, Kuntz would join the firm, and again, the firm would change its name: **McAfee, Taft, Cates & Kuntz**. By 1959, the firm added two more attorneys to its staff when Reford Bond III and Stewart W. Mark joined.

Bond was a native of Chickasha and part of a historic Oklahoma family. His father, Reford Bond Jr., was a well-known attorney. Bond's grandfather, Reford Bond Sr., was the founder of the law firm Bond & Melton, which was established prior to statehood.

Bond Sr. was appointed by the Chickasaw Nation as the tribe's national attorney and represented the Chickasaws for eight years during the administration of President Woodrow Wilson. He served as a member of the Commission for the Review and Revision of the Constitution of the State of Oklahoma, a president of the Oklahoma State Election Board, and was appointed as a special justice to the Supreme Court of Oklahoma. Bond also served as chairman of the Oklahoma Corporation Commission from 1934 until his death in 1954.

Like his grandfather, Reford Bond III believed in the law. A captain in the U.S. Army, Bond joined McAfee & Taft in 1959. Dynamic, opinionated and passionate, Bond was a Renaissance man, his friends Gary Fuller and Pete Woodruff wrote. "Through his life Reford applied insatiable curiosity and boundless energy to an incredible variety of subjects," the pair said.



Capt. Reford Bond as an instructor
for US Army Southern Command.
[COURTESY OF CYNTHIA BOND PERRY]

Like McAfee's other attorneys, Bond also brought a wealth of legal experience with him.

"By any conceivable standard, Reford's contribution to the firm as a practicing lawyer has been significant," Fuller and Woodruff wrote, in a tribute following his death in 1989. "He was the 'deal' lawyer, meaning he was involved in a lot of transactions involving mergers and acquisitions, tender offers, hostile takeovers and the like."

Because each of those transactions required vast amounts of paperwork, Bond came to regard himself as the world's foremost authority on "paper shuffling," they said.

Attorney Dee Replogle said Bond was an exceptionally smart innovator with a great wit. "He was like any creative genius," Replogle said. "He was always looking for something new to do, and he got excited when he found it."

Bond, he said, seemed focused on two things: sailing and the law. "Aside from his sailing, his life really seemed pretty much devoted to the law," Replogle said. "And any associate who had the opportunity to work with Reford would give you long stories about his intellect and his insistence on perfection."

That included sailing, a sport he learned and mastered after buying his first boat. Like his other interests, he invested significant time in learning how something was done, and then he perfected his skills.

Reford Bond at the helm of "Rosebud"
[COURTESY OF CYNTHIA BOND PERRY]



“Once we were down at Lake Texoma,” attorney John Mee said. “We were all on a sailboat, and a storm came up. We couldn’t go back until it was over, but by the time we did, it was nighttime.”

The darkness and the storm didn’t intimidate Bond, though.

“He navigated by the stars to take us back to the dock,” Mee said. “I will never forget that.”

Bond’s younger daughter, Cynthia Bond Perry, said her father had been fascinated by the stars since his childhood. “He would sneak outside at night with a flashlight and study the constellations,” she said. “One of my favorite memories of my dad was on a dark night and there was a new moon. We’d go out into the yard, and he’d shine one of those big flashlights up, and the beam would shine right up into the sky so he could point out the constellations and show us.”

Once he had identified the constellations, she said, Bond would tell his daughters the stories behind them. “That was the one thing that really shaped my imagination and love of science and the natural world,” she said.

John Mee experienced Bond’s push for legal perfection firsthand. Bond, he said, was the smartest man he had ever known, and because of this, Mee often sought Bond’s advice.

Once, when Mee was working a lawsuit for one of his clients, he approached Bond with a strategy for trying the lawsuit. “I told him the theory I had to try the lawsuit and he said, ‘That’s the dumbest theory I’ve ever heard.’”

Mee used the strategy anyway and won his lawsuit.

“Sometime later, I went back to Reford and said, ‘I won this lawsuit’ using the theory I had told him about and he said, ‘That’s the dumbest judge and jury I’ve ever heard of,’” Mee said.

The answer, however, was typical of Bond. “He was sometimes right,” Mee said. “But always, he was opinionated. He was never in doubt. He was a great guy.”

Still, at times, Bond’s exasperation with younger attorneys would show.

Attorney Reid Robison experienced Bond's frustration up close over a brief and a single word.

"He and I were handling some litigation together. I was his litigating lawyer, and I go into his office and he's pacing back and forth with his head down and he's got his hands clasped behind his back," Robison said.

Following a string of choice profanity, Bond looked at Robison and said, "This is just not going to work. This brief you wrote is no good. What's wrong with you, Robison?" he asked.

Robison said he paused, looked at his brief and thought, "It's not that bad. It was a pretty good brief."

"I said, 'Well, okay Reford, you just tell me what's wrong with it, and I'll fix it,'" Robison said.

Bond looked at Robison's brief and pointed to a single word. "You see this word right here? You need to change that word to this word, and then it's okay."

Robison turned to Bond and said, simply, "Reford, consider it done."

Bond's method of training young attorneys involved what can only be described as tough love. Bond would assign a young attorney a difficult task. Then, when the attorney began struggling, Bond was known to frequently answer them, saying, "Damnit, if I just had 15 minutes, I'd do it myself."

In addition to his work for his clients, Bond also dedicated a great deal of time and energy into the administration of the law firm. Both Fuller and Woodruff noted that Bond was "a principal architect" of McAfee & Taft's constitution and "probably had more influence upon our present makeup and MO (management organization) than any other single lawyer."

Bond, they said, created the system of self-government by committees with initiators and expeditors who were assigned the responsibilities in the firm's committees.

"He was responsible for our secretary system which, as far as we know, is unique among larger firms in that we have no private secretaries and no

Reford Bond*

language files, which have been predicted [3] that result in a technique, in use since 1971, is to provide a package written in a language consisting of a skeleton main program; a number named SCAN, which push tokens on a stack; skeleton procedures which will contain numbered semantic and error routines; an effect function L which implements a variant of Gries [2], [1] (PL), similar to that of Gries [2].

executed, if the left part matches the top symbols in the stack (if any) is substituted on the stack for the symbols on which are then executed. Otherwise, the symbols are then executed. ANY matches any symbol. This would be the case if the symbols were not specified in the production. ANY matches any symbol. This would be the case if the symbols were not specified in the production. ANY matches any symbol. This would be the case if the symbols were not specified in the production.

EXEC integer, EXEC classname, GOTO label,
transfers control and it must be the last one. In
restriction, but if it is desired to CALL and then
language without compound statements would require

SUBSCRIPTED [V ::= ID | ID (E)]

SCAN *)
SCAN

CALL EXPR
GOTO 10
RETURN

2, /

McAfee & Taft — The First 70 Years

Stewart Mark was another of the early partners at McAfee & Taft.

Previously an attorney for Gulf Oil Corporation, Mark joined McAfee & Taft in 1959, adding depth to the firm's oil and gas department.

Smart, skilled, focused and meticulously organized, Mark helped move McAfee & Taft from a small, Oklahoma City-based firm into a large statewide operation.

To his colleagues, Stewart Mark was a serious expert in oil and gas.

To his grandson, however, he was Coach.

"Lots of people, lots of kids, have a name for their grandparents and ours was 'Coach' and 'Granny,'" said McAfee & Taft alumnus Mark Malone, Stewart Mark's grandson. "Coach was just Coach because he liked baseball and liked to give me tips and tell me what I was doing right and wrong."

"Coach" Mark's mentoring wasn't limited just to the baseball field.

"As I have come to find out from talking to lawyers and friends here at the firm, Coach was really a coach here, too. He was a mentor. He would bring younger and older lawyers together and sort of teach them what he knew," Malone said. "And that's hard to find in lawyers sometimes. I mean, if you can find a true mentor, you have a gift."

Because Malone's own father died when Malone was in high school, Coach, his grandfather, became his close mentor and friend. "He was one of the male figures who remained in my life that I can draw upon that has helped me raise my boys," he said.

Mark Malone said his grandfather wasn't about ego. Instead, he believed in relationships.

"Lots of lawyers have egos, but that wasn't him," he said. "He would deflect the praise to others, and even though he was the brainchild behind it, someone else got the credit. That was just the way he was."

Coach was also the reason his grandson became an attorney.

"My plan was to go to college and then straight to law school," he said. "But like many other people do, about year two or three of college, I realized I'd had enough of school."



[LEFT] "Coach" Stewart Mark, a highly regarded expert in oil and gas, was revered by many as a mentor who freely shared his time, wisdom, expertise and experience in the law and the practice of law.

[RIGHT] Stewart Mark's grandson, Mark Malone, looks through the treasure box of index cards Stewart compiled, documenting his notes about particular cases and matters involving oil and gas.



So, Malone tabled law school for a while.

For the next few years, he worked as a police officer, but that job, he said, wasn't something he saw himself making into a lifelong career. Instead, he began to reconsider law school.

Though he'd taken the law school admission test earlier, too much time had passed to use his results, so Malone was forced to take the test a second time.

"Coach said, 'You have the aptitude to be a lawyer. You ought to explore that,'" he said. "That's what I did, and it worked."

And while Stewart Mark didn't live to see his grandson graduate from law school, Mark Malone believes his grandfather knows he made it.

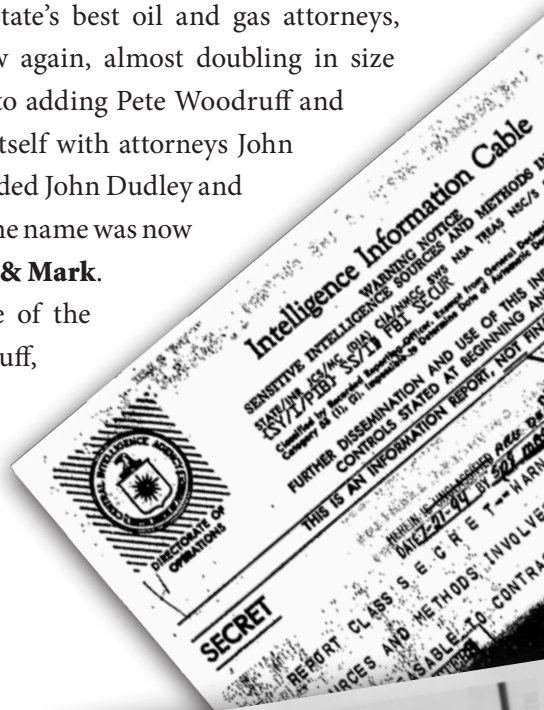
"He sees me now," he said. "And I think he looks down and says, 'I told you so.' I think he realized that the five years I spent with the police department really helped shape who I am and the kind of lawyer that I am and my ability to listen. I know he knows."

Now the home of some of the state's best oil and gas attorneys, **McAfee, Taft, Cates, & Kuntz** grew again, almost doubling in size between 1959 and 1963. In addition to adding Pete Woodruff and Thomas Hester, the firm associated itself with attorneys John B. Dudley Jr. and Paul Dudley, and added John Dudley and Stewart Mark to the firm's moniker. The name was now **McAfee, Dudley, Taft, Cates, Kuntz & Mark**.

Judson "Pete" Woodruff was one of the firm's more unique attorneys. Woodruff, who received his master's degree from Yale, also served as an agent for the Central Intelligence Agency for several years.

"He was stationed at one point in Japan," Woodruff's friend, Gary Fuller, said. "And while in that position, he had an office that he shared with another guy. A mission came up that required one of the two to go into China covertly, secret spy-like. They flipped a coin to see who would go. I don't know who won or lost, but the

After alternately serving with the U.S. State Department and the CIA, Pete Woodruff's law career began as a law clerk for U.S. District Judge Eugene Rice. In 1956, he joined Marathon Oil Co., as a lawyer in Tulsa and was ultimately named general manager in Geneva, responsible for operations in Europe, Libya and the Middle East.
[COURTESY JENNY WOODRUFF]





[LEFT] "Naturally gifted" Pete Woodruff enjoyed painting, and many of his works still hang in the firm's Oklahoma City offices.

[COURTESY JENNY WOODRUFF]

[OPPOSITE] Two of the paintings hanging in the firm's conference room bearing his name.

other guy went on the mission and was caught."

Twenty-five years later, Woodruff's partner was released from prison in China. "Pete left the office one day

saying he was going to Seattle to meet this guy, that the Chinese had released him," Fuller said. "Pete went to meet him. They hugged and had a nice chat and so forth, and Pete came back."

After his tenure with the CIA, Woodruff worked as a lawyer for Marathon Oil Co.

In addition to his skill as a spy and his work as an attorney, Woodruff was also an artist. Many of his works still hang in McAfee & Taft's Oklahoma City offices.

"He was naturally gifted," Woodruff's daughter, Jenny Woodruff, said. "He painted oils, and then he studied watercolor when he retired."



By December 1963, the attorney count would stand at 11. Two years later, Eugene Kuntz, now recognized as one of the nation's top oil and gas scholars, would step aside to become the dean of the University of Oklahoma's law school. Kuntz's departure as a partner sparked yet another name change. The firm would drop Kuntz's name from its moniker, becoming **McAfee, Dudley, Taft, Cates & Mark**.

The changes, however, weren't over.



PART 2

The Firm

CHAPTER 4

Rapid Growth, Big Changes, and Expanding Influence

By 1961, Oklahoma was changing.

The era known as the 60s brought an end to the state's second oil boom. It also ushered in a push for civil rights, the rise of the counterculture movement, and the death of President John F. Kennedy. In addition to political and economic changes, America — and Oklahoma — underwent major shifts on the cultural front.

Though a majority of Oklahoma voters cast their ballots for Republican Richard Nixon in the 1960 presidential election, Democrat John F. Kennedy emerged the victor. Just a year later, in October 1961, U.S. Senator Robert S. Kerr and Oklahoma Governor J. Howard Edmondson would bring Kennedy to Oklahoma to dedicate a highway near the town of Big Cedar.

For the firm, the 1960s brought rapid growth and rapid change. Associates Bill Rodgers and Gary Fuller joined the firm in the fall of 1965. Two years later, Fuller was named a partner. In 1968, the firm hired Jerry Warren as its first associate out of law school and added attorneys Peter Bradford and David Kroll, bringing the firm's lawyer count to 13.

McAfee & Taft, now robust with a list of powerful, well-known clients and a roster of attorneys who were experts in oil and gas law, became a major player in the city's legal and political circles.

One case, a bankruptcy involving the firm Selected Investments, would give the law firm a front row seat at one of the ugliest political scandals of the 1960s: the bribery of three Oklahoma Supreme Court justices.

The story began simply enough. Selected Investments, a company owned by Hugh Carroll, a former high school teacher, was a financial powerhouse worth roughly \$39 million.

The growth of Selected Investments also made Carroll a major power player in state politics.

In 1958, both Carroll's company and his life fell apart.

"That was the firm that was found to have been engaged in a Ponzi scheme," Fuller said. "It was listed on the stock exchange, had thousands of investors, but it was basically kind of like a savings and loan kind of deal. They promised to pay an amount of interest on earnings, but they weren't. They were just paying interest with money coming in, not earnings."

That year, during a federal court hearing, District Judge Stephen S. Chandler declared the company bankrupt. At that time, Carroll told the court he had "borrowed" about \$200,000 from the company and had given \$150,000 of the funds to a man named Pierre Laval, of Canada, an oil lease broker. Carroll told the court he didn't know Laval's address.

The court didn't buy Carroll's story.



In fact, a second judge, who was in charge of sentencing Carroll to prison, said the Laval story was a myth. Years later, Carroll admitted he'd lied. During an income tax evasion trial in front of Oklahoma Supreme Court Justice Earl Welch, Carroll told the court he'd given the \$150,000 to Oklahoma Supreme Court Justice N.S. Corn, who was supposed to share the funds with both Welch and N.B. Johnson.

The scandal rocked the state's political and legal circles.

At the same time, though, the bankruptcy of Selected Investments would continue.

"That [the justices' corruption trials] didn't have anything to do with the firm, other than Selected Investments was put into bankruptcy," Fuller said.

Attorney John Dudley represented the Selected Investments trustee in the bankruptcy.

By the time the dust settled from the bankruptcy and the justices' corruption trials, Oklahoma would modernize its way of selecting state Supreme Court justices. Instead of elections, the justices would be chosen by a bipartisan Judicial Nominating Commission.

That system continues today.



The 60s era also saw the firm expand its influence statewide, due in large part to the work of Richard Taft. In addition to his skill as an attorney, Taft stepped into public service, acting as a planning commissioner for the City of Norman in 1966 and later as chairman of the state Corrections Board in 1968. In that capacity, Taft helped modernize the state's corrections policy.

But he faced an uphill battle.

Prior to statehood, in 1890, Oklahoma's Territorial Legislature contracted with the state of Kansas to house and care for territorial prisoners. The contracts, which earmarked 25 cents per day, per inmate, required that Kansas provide food, clothing, medical treatment and

bedding for inmates.

The Kansas penitentiary, records would show later, was a true hellhole.

As the territory moved toward statehood, lawmakers attempted, on several occasions, to pass legislation that would have constructed a state penitentiary. Those efforts were vetoed. At the end of the decade, in 1899, many state officials pushed back against the Kansas contract, citing rising costs and a record number of inmates, which at that time stood at 179.

In 1907, during the administration of Governor Charles Haskell, Oklahoma's first elected chief executive, legislators finally passed — and the governor signed — a bill that allocated funds for a prison in the city of McAlester.

Records from Haskell's administration show the first set of prisoners, about 100, arrived in 1908 and were jailed in a federal prison in McAlester. However, because a permanent structure had not been built and because the legislature backtracked from providing funding for the building, the state continued to send inmates to Kansas.

That policy would continue until Kate Bernard, Oklahoma's first commissioner of corrections and charities, made an impromptu inspection of the Kansas facility. Bernard's report said food conditions at the prison were terrible and that the state's inmates only received one meal per day.

"Kate documented in her report that Kansas contracted the men to private individuals for 50 cents a day and received an additional 40 cents a day from Oklahoma, but spent only 11 cents a day for food," a history of Oklahoma's corrections system said. In addition, Bernard's inspection provided proof that "from 1905 to 1908, 60 boys had been sent to the Lansing Penitentiary and many of these were under 16 years of age."

"This was a clear violation of the contract, which stated that 'no convict shall be less than 16 years of age,'" a biography in the *Oklahoma Encyclopedia* said. "This condition not only gave clear legal and moral grounds for terminating the contract but also provided Kate with

ammunition in her later attempt to establish state industry schools for youngsters in trouble with the law.”

After Bernard’s report and the public outcry that followed, lawmakers appropriated \$850,000 to construct a state penitentiary.

But problems with the state’s penal system would continue, and it wasn’t until 1967, under the administration of Governor Dewey Bartlett, that lawmakers created “a new State Corrections Department.”

That legislation created a state Board of Corrections, chaired by Richard Taft.



No stranger to politics, Taft knew the corrections system needed work. Following the creation of the seven-member Board of Corrections (passed by the Oklahoma Legislature on May 8, 1967), Taft began that work in earnest.

Newspaper stories published at the time show lawmakers, despite their adoption of Bartlett’s proposal, remained concerned the corrections board would seek to control the Pardon and Parole Board.

That board, created by State Question 309 in July 1944, was charged with making “impartial investigation(s) and stud(ies) of applicants for commutations, pardons or paroles, and by a majority vote make its recommendations to the Governor of all deemed worthy of clemency.”

That same law, however, prevented the Pardon and Parole Board from making recommendations regarding parole for convicts sentenced to death or sentenced to life imprisonment without parole.

Taft told reporter Robert B. Allen of *The Oklahoman* newspaper that he felt one of the primary functions of the corrections board should be to “make recommendations as to who should be considered for parole and who should not.” He added that the pardon and parole board, however, would reserve the right to make decisions in each case.

“We hope to have a great deal to do with the pardon and parole board,” Taft told the newspaper. “As a practical matter, since it will

psychologists, will
easy to obtain in that area.

Can Solve Problems

The board of corrections and the department director, A. E. Pontesso, earlier advocated placing the center at Norman, Oklahoma City or Tulsa.

However, Pontesso said this week he has asked Sen. Gene Stipe (D-McAlester), who wants the center at his hometown, to amend a capital improvements bond issue to include the center with a stipulation that it be at McAlester.

Bartlett said he had discussed the location of the center with Pontesso and the chairman of the corrections board, Richard Taft, and both indicated to him problems which might arise over locating the center at McAlester can be worked out.

Bartlett Favors Site

The governor, under questioning at his news conference,

[COURTESY OF THE OKLAHOMAN]

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(AP)
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be this board's responsibility to assemble information on every inmate, I think we should have a lot to do on whether parole will be considered. It won't be our function to advise them on how to vote."

Taft would face legislative pushback a second time when, in February 1968, the corrections board "gave a cold shoulder reception" to a proposal by State Senator Gene Stipe, a Democrat from McAlester, that would have earmarked \$3 million to build a diagnostics center at the McAlester penitentiary.

Taft and the corrections board had previously said they were in favor of constructing a diagnostics

center in Norman, near the Central State Hospital, a state facility. One member of the corrections board, taken by surprise by Stipe's action, asked "Do you mean to tell me that this board's recommendations, even when backed up by facts, will go unheeded?"

Taft, demonstrating the same skill with state officials that he did with legal clients, found a way around the problem: The corrections board authorized the department to "study all possible locations for the center and narrow the field down to five and present the results at the next board meeting."

"That way, we can go on record as making a recommendation to the legislature on the site we think is best, then it's up to them to decide," he said.

Taft would lead the corrections board from 1967 to 1969.



With Taft now a well-known player in state politics, Eugene Kuntz leading OU's law school, and both McAfee and Kuntz now recognized as national experts on oil and gas law, the once small firm was now a major influence in the legal and cultural life of Oklahoma and its capital city.

Along with this increased prominence came growth. By 1970, McAfee & Taft had increased its roster of lawyers, adding John Patterson Jr., Eddie Newcombe, and John Sargent Jr.

One year later, John Dudley Jr., who had joined the firm in 1967, died. Dudley's death, and the merger with the law firm **Fowler, Rucks, Jopling, Grimlich and Mee**, sparked yet another change to the firm's name. It was now known as **McAfee, Taft, Cates, Mark, Bond & Rucks**.

The expansion also caused another change: relocation.

In 1972, **McAfee, Taft, Cates, Mark, Bond & Rucks** relocated their offices to the fifth floor of 100 Park Avenue. Reid Robison joined the firm as an associate after serving three and a half years in the U.S. Air Force Judge Advocate General's Corps, and Boston W. Smith joined as counsel.

The firm also hired Terry Barrett and Dewey Dobson as its first clerks and saw the exit of Oliver Wendell Cates.

Cates' departure was difficult. "He withdrew from the firm," McAfee wrote, "under circumstances not entirely pleasant."

Cates' exit sparked still another name change. **McAfee, Taft, Cates, Mark, Bond & Rucks** now became **McAfee, Taft, Mark, Bond, Rucks & Woodruff**.

That same year, Bobby Battle, an inmate at the Oklahoma State Penitentiary, would file a federal lawsuit claiming the state's correctional system was violating the rights of prisoners. Battle's victory in court two years later would effectively kill state oversight of the system for decades and place the system under federal control.



Everyone called him "The Colonel."

Joseph G. Rucks was a native of Guthrie. He attended school in Belt Buckle, Tennessee, and, in 1934, he earned his undergraduate degree at the University of Oklahoma. Two years later, he would receive his law degree from OU.

With the beginning of World War II, Joseph Rucks enlisted in the Army, serving five years as an Army officer and earning the rank of lieutenant colonel. Rucks, military records show, would see extensive action in the European theater as commander of the 243rd Artillery Battalion, serving directly under General George S. Patton.

Rucks was awarded the Bronze Star, Presidential Unit Citation, Medal of Commendation, and the French Croix de Guerre.

At the conclusion of the war, Rucks was responsible for interrogating several senior German officers, including Field Marshal Gerd von Rundstedt, who served as commander of Army Group South during the Battle of Kiev.

Rucks was also appointed as "mayor" of several German towns with the responsibility of identifying and removing committed National



"The Colonel" Joe Rucks served directly under General George S. Patton, pictured here after crossing the River Seine at Fontainebleau, south of Paris, on August 25, 1944. [COURTESY OF THE LIBRARY OF CONGRESS]

Socialist supporters from positions of authority.

In 1967, Rucks served as chairman of the Governor's Advisory Council on Capital Expenditures, as a member of the Nichols Hills Town Council, and also as its mayor. Rucks, Replogle said, was known for his legal expertise in corporate law and Indian land titles.

He was also instrumental in the growth of his new law firm.



By the mid-1970s, **McAfee, Taft, Mark, Bond, Rucks & Woodruff** had expanded again. Jerry Warren and Frank Hill became partners of the firm. John Schaefer joined, and Dewey Dobson and Terry Barrett were promoted from clerks to associates. Additionally, Robert Gilliland, James Dudley Hyde and Richard Riggs became associated with the firm.

At the same time the firm was growing, the country was wrestling



On June 17, 1972, attorney Terry Barrett was in Washington, D.C., for a hearing at the Federal Power Commission. He was staying at the Watergate Hotel, his room across the street from the Democratic National Committee's headquarters where he may have unknowingly witnessed a history-making crime. [COURTESY OF THE LIBRARY OF CONGRESS]

with, what the late President Gerald Ford would describe as, “our long national nightmare.”

Watergate.

Originally billed as a “third-rate” break-in of the Democratic National Committee’s headquarters, the Watergate affair quickly enveloped Republican President Richard M. Nixon.

The affair began early in the morning of June 17, 1972, when five men were arrested for breaking into the Democrats’ office at the Watergate Office Complex, located in the Foggy Bottom area of Washington, D.C.

Police reports show that lights from the burglars’ flashlights drew attention. The police were called.

Terry Barrett said he remembered that event well. He was in Washington, D.C., staying at the Watergate the night of the burglary.

Barrett was in town for a hearing at the Federal Power Commission. His room was in the Watergate across the street from where the Democrats had their headquarters. Barrett said he sat in his room late that night and watched as people went in and out of rooms across the way.

“I would see lights come on in a room, and then people pull down the shades,” he said. “I didn’t think anything about it at the time.” A few days later, when the first Watergate story broke, he said, “I went ‘Wow, I wonder if I was watching those SOBs?’”



The 70s also saw a fundamental shift in the nation’s and McAfee & Taft’s cultures. Following the successful launch and return of NASA’s Apollo 11 moon landing mission in 1969, Oklahoma and the rest of the country began to take a step back toward normalcy after the turbulent 1960s.

The moon landing inspired thousands of men and women to go to college. It sparked new ideas and fostered a belief that technology could help create a brighter future.

It also inspired young women. Across the country, women began to push back against long-established, male-centered beliefs, and more entered the workforce as professionals.

In Oklahoma City, in 1975, Becky Marshall and Connie Gore became the first two women hired as attorneys by **McAfee, Taft, Mark, Bond, Rucks & Woodruff**. Many years later, Gore married attorney Gary Fuller.

Marshall and Gore would forever change the face of their law firm.

CHAPTER 5

The Greatest Generation and Two Accidental Trailblazers

They were all unique men.

Many had gone to war, fought, returned home, and worked to resume a normal life. During the war, they'd fought Nazis and bad guys and bureaucrats. One of them was a scholar whose magnum opus is still required reading, more than 60 years later.

Another was a former spy. One was a true Renaissance man, a genius who died much too young. Another served as mayor of a German town.

Others were earthy, funny and experts at negotiations, regularly helping their clients out of tight spots. They were also comrades. Friends. They socialized together, drank together, stretched the truth on the golf course, and answered the call when their city — or their state — needed them most.

Some devoured classic literature; others embraced Agatha Christie mysteries. Another was a musician; a few were sailors.

Still, even with their differences in style and background, they each loved and embraced the law. Each brought a different gift. And though their skills often overlapped, by working together they excelled where other firms struggled.

Up until 1975, the firm now known as **McAfee, Taft, Mark, Bond, Rucks & Woodruff** had been a law firm of men. They were men who attended the same law school. Men who went to war. Men who were used to commanding others.

The focus on hiring ex-military men had been deliberate, said attorney Frank Hill, who joined the firm in 1970. Attorneys who served in the armed services understood pressure. They understood commitment and leadership and honor.

And friendship.

And they weren't afraid of too much, either.

Though women were employed in clerical and accounting positions, before 1975 there were no female attorneys at **McAfee, Taft, Mark, Bond, Rucks & Woodruff**.

In 1975, things changed.

The women's movement, sparked by the decades earlier push for suffrage in 1920, now called for the establishment of equal political, cultural, social and economic rights for women.

Congress responded by passing the Equal Rights Amendment, a proposed amendment to the U.S. Constitution. During March 1972, the U.S. Senate passed the proposal, and it was sent to the states for ratification as Article V of the U.S. Constitution.

Now, businesses, industries and governments were taking steps to bring more women into the workforce at professional levels.

In 1975, two new attorneys — fresh graduates of OU's law school — would alter the face of **McAfee, Taft, Mark, Bond, Rucks & Woodruff** forever when they became the first two female attorneys hired by the firm. Joining them as new associates was John Hermes. Decades later, Hermes would be elected as the second managing director in the firm's history.

Becky Marshall and Connie Gore didn't come from the military. Instead, they brought a new, unique perspective to a firm known for its veterans and military leaders.



But as groundbreaking as that action was, Connie Gore Fuller said she worried more about passing the bar exam.

“There’s another story where Becky and I chased the postman around to see if we passed the bar exam,” she said. “Because here you’ve accepted this job, and we’re just terrified that you might not pass the bar.”

She shouldn’t have worried; both she and Marshall passed.

For Connie Fuller, the firm — even with its strong male culture — proved to be a positive experience, unlike an earlier interview experience she had with a Dallas law firm that was recruiting law students on campus.

“In one of those interviews, they were especially intrusive,” she said. Fuller said she was asked about her marriage, if she was going to have children, and questions about how she would handle her home life.

Unhappy with the line of questioning, she took action.

“So, in the course of one of those interviews, they were especially intrusive about those kinds of questions,” she said. “And I said, ‘I have a lot to do, and I think this interview is going to be a waste of time for both you and me.’”

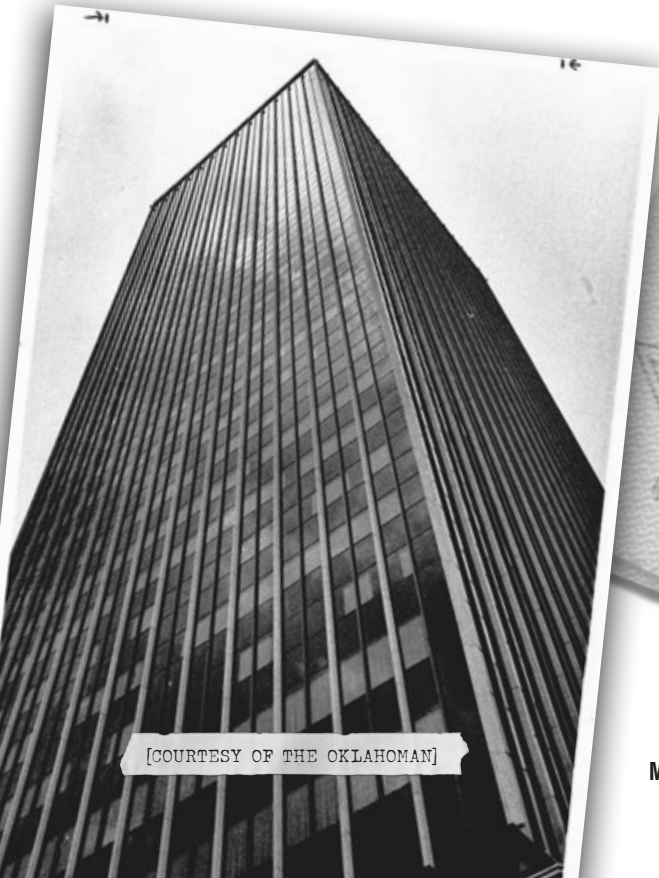
After that, she walked out. Officials at the Dallas firm responded. “Well, I think they realized they had stepped over the bounds and unbeknownst to me, they went to the dean. They were very apologetic.”

There were also repercussions.

After her interview, the law school held classes on how to treat women students, and she was asked to give comments on her feelings about being interviewed.

“The law school was trying to educate their professors and the male students and recruiters about what was acceptable and what was not,” she said. “And they wanted to know my experiences in my interviews. I was never a woman activist. I was never a trailblazer. But you just do blaze trails, whether you intend to or not, so I was delighted to have Becky Marshall arm-in-arm blazing that trail.”

Still, even though she felt welcomed at McAfee, there were issues. Though some Oklahoma law firms already hired women, some attorneys remained skeptical.



[COURTESY OF THE OKLAHOMAN]



McAfee & Taft — The First 70 Years

As part of her interview with McAfee & Taft, Fuller said she met with Richard Taft.

“It was only Mr. Taft and I, and so he asked all kinds of questions about my experience in law school and what kind of law I wanted to practice and the typical kind of questions that I’m sure he asked most everyone,” she said.

Until the end of the interview.

“But then, at the end of the interview he said, ‘Well we’ve never had a woman lawyer around here, but I think it’s a good idea,’” she said. “And so, I thought, ‘Well, yes, I think I’ve made it.’”



For McAfee’s female attorneys, the 70s presented myriad changes. It was one thing to be a female and an attorney.

It was another to get a job.

It was a third to be respected by the largely male-dominated legal community of Oklahoma City.

Even though they hadn’t intended on being trailblazers for women’s rights, Fuller and Marshall would pave the way for others, simply by doing their jobs.

Consider the event at Oklahoma City’s Petroleum Club.

One afternoon, Fuller was working with a group to assist a client when the client invited the whole group to lunch at the Petroleum Club, a men-only organization located on the 34th and 35th floors of what is now the BancFirst Tower in downtown Oklahoma City.

“Everyone said ‘great,’” she said. “I left to take my documents back to my office and to probably check my lipstick and get a handbag or something.” Later, she learned that while she was headed back to her office, her client told the rest of the group, “We have a problem” after remembering the Petroleum Club didn’t allow women on the 35th floor and that men in the group who weren’t wearing ties wouldn’t be allowed on the 34th floor.

What her clients didn't know, though, was Fuller had been dining at the Petroleum Club on the 35th floor for quite some time.

McAfee & Taft had Friday luncheons there while the Beacon Club (their normal spot) was undergoing renovations.

In fact, Fuller said she had been going through the buffet line so often that the man who carved the roast at the end of the line had taken a marker and changed the sign that said, 'men's buffet' to 'women's buffet.'

"We go to the buffet line, and the carver says, 'Hello, how are you doing?'" Fuller said. "And so, they serve me, and they check out and then we take our trays, and we get seated right in the middle of the dining room."

It wasn't long before more women began dining on the 35th floor.

"So pretty soon, the Petroleum Club, without a big to-do, has accepted women on the 35th floor and no one even noticed it," she said.

Still, cultural challenges wouldn't be the only issues Fuller, Marshall and the other attorneys at McAfee would face.

Another oil embargo and a national political scandal would rock the country.



At first look, the early 1970s seemed like the decade that would bring stabilization and diversification to Oklahoma and its largest city. Though jobs in the agriculture industry fell to only 5%, other areas of the economy, including manufacturing and energy, grew.

"From 1973 to 2002, Oklahoma endured shocks from the global economy and federal retrenchment," the *Encyclopedia Oklahoma* notes. "The oil price shocks of 1973–86 maintained this tradition."

Thousands of miles away, members of the Organization of the Petroleum Exporting Countries launched an oil embargo that destabilized the United States and pushed the price of crude oil up ten-fold in Oklahoma. The extra jobs brought people, and the state's population grew by more than 18%.



[COURTESY OF THE OKLAHOMAN]

That was the good news.

At the same time, however, the oil embargo wreaked havoc throughout the rest of the country. Then in June 1972, a break-in at the Democratic Party's national headquarters in the Watergate Office complex would spark a controversy so large it would, eventually, force the resignation of President Richard Nixon.

For a moment, the country seemed to be unraveling.

Between the ups and downs of the oil field and the "long national nightmare" of Watergate, attorneys at McAfee & Taft faced many difficult decisions. The future, which had seemed so bright at the beginning of the 1970s, had suddenly become darker.

The year that was 1980 began on a high.

Just a year before, the firm added 10 new attorneys.

They also took steps to streamline their moniker.

Following what seemed like a never-ending string of names, frustrating those who answered the switchboard, firm members voted to amend their Articles of Incorporation. On February 29, 1980, the amendment made what would become the firm's final name change: **McAfee & Taft A Professional Corporation.**

The change sparked a positive reaction from many of those employed by the firm. "It also demonstrated the loyalty and unselfishness of two attorneys, Gary Fuller and John Mee," said attorney Terry Barrett.

Fuller and Mee, Barrett said, were next in line to have their names added to the moniker. Instead, they chose the simpler route.

"It'd be something to get your name on the walls, but Gary and John decided not to do that. Rather, they suggested we just go back to McAfee & Taft again," Barrett said. "And that's what we did. I've always thought really highly of that decision."

The pair's decision to give up the listing, he said, made things much easier for everyone else in the firm and ended the problematic rule of changing the name of the firm when a partner died. The change also made life better for the staff answering the phone.

"It just got too big," said Betty Northcutt. "They said the switchboard operator just couldn't get all that out, and it looked like they were going to keep adding more people. So ... they just decided to go back and say M & T."

Two years later, the firm, now officially known as just McAfee & Taft, would face the collapse of the Oklahoma oil and gas industry and the bankruptcy of many of its clients. McAfee & Taft would also find itself at ground zero fighting to resolve the worst financial disaster in state history: the collapse of Penn Square Bank.

AMENDED
ARTICLES OF INCORPORATION
OF
MCAFFEE, TAFT, MARK, BOND, RUCKS & WOODRUFF
A PROFESSIONAL CORPORATION

STATE OF OKLAHOMA
COUNTY OF OKLAHOMA

)
) ss.
)

TO THE SECRETARY OF STATE OF THE STATE OF OKLAHOMA:

The undersigned, Richard G. Taft and Gary F. Fuller, being persons legally competent to execute Amended Articles of Incorporation of McAfee, Taft, Mark, Bond, Rucks & Woodruff A Professional Corporation, pursuant to the provisions of the "Business Corporation Act" and the "Professional Corporation Act" of the State of Oklahoma, and the amendments thereof, do hereby submit the following Amended Articles of Incorporation, and do further affirm that the same are true and correct in all particulars as described by the undersigned.

and Nine of the Bond, Rucks & set forth below on the 29th articles of Incorporation of the amendment to of Incorporation A Professional

Office in the City register the Build-

be of

OFFICE OF THE SECRETARY OF STATE



AMENDED
PROFESSIONAL
CERTIFICATE OF INCORPORATION

To all to Whom these Presents shall Come, Greetings:
WHEREAS, Articles of Incorporation duly signed and certified of

MCAFFEE & TAFT A PROFESSIONAL CORPORATION

have been filed in the office of the Secretary of State as provided by the Laws of the State of Oklahoma.

NOW THEREFORE, I, the undersigned, Secretary of State of the State of Oklahoma by virtue of the powers vested in me by law, do hereby issue this Certificate of Incorporation.

IN TESTIMONY WHEREOF, I hereunto set my hand and cause to be affixed the Great Seal of the State of Oklahoma.

Filed at the City of Oklahoma City, this 29th day of February, A.D. 19 80

James B. Smother
Secretary of State

By *Babara Cook*



CHAPTER 6

Okiesmo, Camaraderie, and Wiring Around the Problem

Back in the 80s they called it “Okiesmo,” a type of attitude or swagger that showed the rest of the world this Oklahoman was a person to be reckoned with.

It was a term affixed to oil tycoons, industrial leaders and people of importance. It was a term that few spoke, but many understood.

A person can’t give themselves Okiesmo; it has to be earned.

The men and women at McAfee & Taft have Okiesmo in spades. Indeed, it is part of their very DNA, but it isn’t because of their swagger.

It’s because of their skill.

Armed with some of the brightest attorneys in the country and steeped in a firm culture that encouraged camaraderie, collaboration and hard work, McAfee & Taft became known for its ability to wire around the problem.

Like that time a big, national oil company got itself in trouble.

Back during the Reagan years, the oil and gas industry faced price controls. And one of the country’s largest oil companies found itself facing legal action for violating statutes that regulated the pricing for the sale of oil and gas.



Gene Kuntz (1981)

When is oil not "oil"? When creative legal strategy employs scientific analysis to determine this "heavy oil" is chemically classified as "asphalt" — saving a national oil company from serious legal trouble.

With a possible drawn-out courtroom drama hanging over its head, the company turned to Eugene Kuntz, now serving as the dean of the University of Oklahoma's law school.

Kuntz, however, declined, telling them "Well, I can't do it. I'm dean. But the guy you want is Pete Woodruff at McAfee."

The company turned to Woodruff and his firm.

What they didn't know was that Woodruff was also serving as the chairman of the Oklahoma Highway Commission, having been appointed by Governor Dewey Bartlett.

Woodruff and Terry Barrett, who were working with him on the case, reviewed the applicable regulations and asked for a sample of the oil involved.

The sample, described by Barrett as heavy oil, caught their attention.

"Pete was on the highway commission, and so he knew people. He arranged for one of the scientists out there to do a study on this oil and give us the gravity of it and all that," Barrett said.



Pete Woodruff (1980)



Terry Barrett (1981)



Stewart Mark (c. 1980)

This genius-level idea would save the oil company.

“We got the report back, and sure enough, it fit the definition of asphalt,” Barrett said.

Woodruff then hired a second scientist to analyze the same thing, and that report, too, identified the sample as asphalt.

Armed with new information, Stewart Mark drafted a long legal opinion identifying the composition of the “heavy oil” as asphalt — an important distinction because the same law that would have hammered the company over violating price controls also exempted asphalt.

“The bottom line was they had no responsibility, and the indictment was no good,” attorney Gary Fuller said. “The product was not oil. It was not regulated.”

Woodruff and Barrett then flew to Houston to present their findings to the company’s board of directors. “The whole board was there and they read this, and they are saying ‘You’re kidding, really?’” Fuller said. “I mean, you could tell how excited they were. Everyone was shaking Pete’s and Terry’s hands.”

A short time later the indictment was withdrawn, and the company cut McAfee & Taft a check for a substantial legal fee.

And Kuntz’s motto, that of finding a way to wire around the problem, had, once again, prevailed.

“A client’s problem is just a problem,” Fuller remembers Kuntz often saying to his fellow attorneys. “There’s always a solution to the problem. You can always wire around it. The key to these problems that seem insurmountable is to wire around it. You can’t do it this way, but there’s got to be another way that is satisfactory that it can be done. Wire around the problem.”



That “never say die” attitude has been a mainstay of McAfee & Taft since its inception. Whether it was saving a giant oil and gas company by using a very simple solution, fighting to save a struggling bank, or pushing back against tycoons who were sure they had all the cards, the Okiesmo that permeates McAfee & Taft is organic, forged by genius and leveraged by camaraderie.

“You were expected to work hard, but nobody, nobody walked around and made you work hard,” Barrett said. “You saw the way they [the partners] worked, and you wanted to be like them; and you wanted to impress them, and you wanted to make partner.”

Okiesmo meant that you didn’t just work hard, you played hard, too. And at McAfee & Taft, they took playing seriously.

Some of this took place on the golf course, said John Mee.

“Back in those days, we had the Fadeaways — they were the seniors — and we had the Whippersnappers, and we usually had a golf outing in May.”

That camaraderie, Mee said, was a powerful tool both for the firm and its clients. “Everyone was friends,” he said. “There was friendship amongst the lawyers. We all got along, which made it a lot easier.”

Because the attorneys at McAfee & Taft enjoyed working together, the atmosphere was collegial and collaborative. “People weren’t fighting for credit,” he said. “The clients are firm clients. They may have a lawyer that they adore and will follow, but it’s a team effort.”

Attorneys, their families, and their children were a big part of that

unique style. It was a style based on the simple fact that the souls who made their careers at McAfee & Taft genuinely liked each other.

"We had fun," Mee said. "We were close. We felt very close to each other. We went to dinner on many occasions just for fun, and we were all good friends. There were times, like after Penn Square in '82, that things were kind of rocky; but the firm stayed together, and it grew with the leadership, the board."

Even now, with more than 170 attorneys, McAfee & Taft is renowned for its unique problem-solving ability and the way its attorneys work together.

The Okiesmo? It's still there.

friday people

Josephs host McAfee & Taft



MIKE AND KIM Joseph of Nichols Hills hosted McAfee & Taft's summer disco party for attorneys and law clerks. Above, "Best Costume" winners were the Village People, aka attorneys Brandon Meyer, Brandon Buchanan, Michael McClintock, Jim Webb, Paul Ross and Spencer Smith. At left, Party hosts Kim and Mike Joseph as KISS band members. Mike Joseph is a share-

PART 3

The Fights

CHAPTER 7

Circumnavigating the Chaos of Penn Square Bank

In Oklahoma, the story is legendary.

It's talked about in coffeeshops and still whispered about in parking lots. Few know the full story and those who do, didn't talk much. Some have forgotten. Others want to forget.

But the story, like an old scar, remains.

The story of the death of Penn Square Bank in 1982 and the subsequent fallout that forced some of the country's biggest banks into receivership. It also reverberated across the country. The bank's failure eliminated thousands of jobs and pushed dozens of Oklahoma oil and gas companies into bankruptcy.

For those who survived, Penn Square's collapse was a nightmare.

For McAfee & Taft, it was two years of chaos.



Penn Square Bank began its life in a shopping mall on the northwest side of Oklahoma City, at the intersection of the Northwest Expressway and Pennsylvania Avenue.

It was founded on February 12, 1960, by developer Ben Wileman —



[LEFT] "Just two years old, but already growing is the Penn Square National Bank which is adding a walk-up window," reported in the Oklahoma Times May 31, 1962. [RIGHT] Penn Square National Bank, May 27, 1965. [COURTESY OF THE OKLAHOMAN]

the same man who developed the mall — and the families of oilman and U.S. Senator Robert S. Kerr and his business partner Dean McGee. Penn Square Bank opened its doors as a community bank that catered to the mall's customers and the businesses in the area. Brochures published at the time highlighted the bank's drive-up window "for suburban homemakers with children."

For the first 15 years of its life, the little suburban bank grew slowly. From 1960 through 1964, the bank was managed by William P. "Beep" Jennings. In 1964, Jennings left Penn Square Bank for bigger pastures at Fidelity Bank of Oklahoma City.

But Jennings didn't stay at Fidelity Bank. After eight years, he quit Fidelity, disappointed that he was bypassed for the bank's top spot. In 1972, Jennings, now armed with a \$2.5 million loan from Fidelity, returned to Penn Square Bank, buying out the stock held by the Kerr and McGee families.

By December 1975, Jennings was now firmly in control of his own bank.

And his plans were big.

Jennings announced his intentions to expand the bank's profile. And, since the oil and gas industry was expanding — driven in part by fears of another Middle East oil embargo and memories of long lines at gas stations — Jennings decided it was time to venture into oil and gas lending.

For a while, it seemed as if Oklahoma would be immune from the recession hovering over the rest of the country. Driven by the energy sector, employment expanded. Oil field jobs were being added by the thousands.

Jennings said he wanted to capitalize on that growth.

He told the employees of Penn Square he wanted to start an oil and gas division. For the next two years, Jennings would aggressively reach out to oil and gas companies, seeking to expand his bank's loan portfolio.

A short time later, Penn Square Bank began lending money on oil and gas production. In addition, it also made loans on nonproducing oil and gas leases — a type of lease that, even though it's producing, can't produce enough product to pay its operating expenses.

Around this same time, across town, John and Larry Nichols decided they were going to start a company. John Nichols had been a partner at Blackwood & Nichols. Larry, his son, was the politically astute attorney.

The name of their firm? Devon.

The Blackwood & Nichols-Devon connection opened new doors for McAfee & Taft. It also offered attorneys, such as Fuller, Bond and Barrett, unique problems to solve.

For example, a contract fight with the El Paso Natural Gas Company.



As Barrett explained it, the fight began with an expired gas contract between Blackwood & Nichols and El Paso Natural Gas.

“This contract had expired, but it involved sales to El Paso Natural Gas and interstate commerce,” Barrett said. In interstate commerce, a company cannot stop selling even though the contract expires without getting permission from the Federal Power Commission (now known as the Federal Energy Regulatory Commission).

Barrett said Blackwood & Nichols attempted to renegotiate the contract, which was ancient and had forced Blackwood & Nichols to sell gas at unreasonably low prices.

“We tried to negotiate with El Paso and renew the contract and write new contracts since the old one had expired and was out of date,” Barrett said. “They said, ‘no dice.’”

But El Paso Natural Gas had underestimated Barrett.

“I went back to Blackwood & Nichols and suggested they file a complaint with the Federal Power Commission alleging that El Paso was not acting in good faith and that said, essentially, ‘If we by law have to keep selling to them, they have to negotiate with us in good faith for the right kind of price.’”

“We filed that petition, which suggested that other companies might do the same, which in turn suggested that El Paso should treat us better and get this settled,” said Barrett.

Now in a bind, El Paso Natural Gas was forced to the negotiation table.

But even then, things were difficult.

“I went to El Paso, and they made it as tough as possible for me,” Barrett said. “I had to stay in a separate room and write down the changes that I wanted in the contract. A runner would take it to people in the other room. They would just send back ‘yes’ or ‘no,’” he said.

The process lasted several days.

Then, after the contract was finally signed, it would not become effective until it was filed at the Federal Power Commission as a rate schedule.

“So, I finalized the contract with El Paso on a Thursday. El Paso wouldn’t sign until Blackwood & Nichols signed, so I flew back to Oklahoma City and got it signed by Blackwood & Nichols the same day. Then I flew back to El Paso that night,” Barrett said.

Once back in El Paso the next day, Barrett said, the company stalled as long as possible before inking the contract. For Barrett, however, his time in the air wasn’t over.

“I had to get to Washington D.C., as quickly as possible because the Federal Power Commission closed at 4:30 p.m., and the contract’s new prices wouldn’t become effective until it was filed,” he said. “And the only way I could do it would be to get a first-class ticket from El Paso, which I did.”

That Friday, Barrett arrived just 30 minutes before the Federal Power Commission closed its office for the weekend and filed the contract and the rate schedule.

Once back in Oklahoma City, though, Nichols and his partner teased Barrett about flying first class. “They said, ‘First class? You’re kidding me. We don’t pay for first class tickets,’” Barrett said.

After the dust settled, Barrett said he calculated the increase in payments for Blackwood & Nichols under their new contract. “It went from 30-something cents to a dollar and something,” he said. “It was just an astounding amount of money they made from production that Saturday and Sunday following the Friday filing.”

Barrett’s negotiation skills, along with his frequent flying, paid off.

“Every lawyer in the firm can tell you stories like this,” Barrett said. “This was nothing unusual.”

The trio, joined at times by David Stinson and others, often put together difficult solutions — that is, wiring around a seemingly overpowering problem — for Devon to purchase dozens of oil and gas properties and oil and gas-producing companies, even when Devon lacked the necessary purchasing power to do so. In the meantime, Blackwood & Nichols continued to rely on the firm’s expertise.



In October 1977, Jennings took the next step in his expansion plan. He hired William Patterson to head up Penn Square Bank's new oil and gas division.

Patterson was a terrific salesman. However, when it came to following federal and state banking law and making sure that each of his loans had the proper collateral and documentation, Patterson "gave new meaning to the familiar marketing slogan 'convenience banking,'" journalist Phillip Zweig wrote.

Patterson and Jennings often used blank notes and dummy notes for loan documentations.

"Patterson decided that it was a gross imposition on a busy oilman to ask him to come into the bank personally to sign a note, whether it was for \$50,000, \$500,000 or \$5 million," Zweig wrote in his book about Penn Square, "Belly Up." "Patterson told his customers, 'Sign all these, let me keep them in my desk. If you need any money, just call me up, and I'll fill in the amount. We'll take care of it.'"

Terry Barrett met Patterson and said he had a similar experience with him.

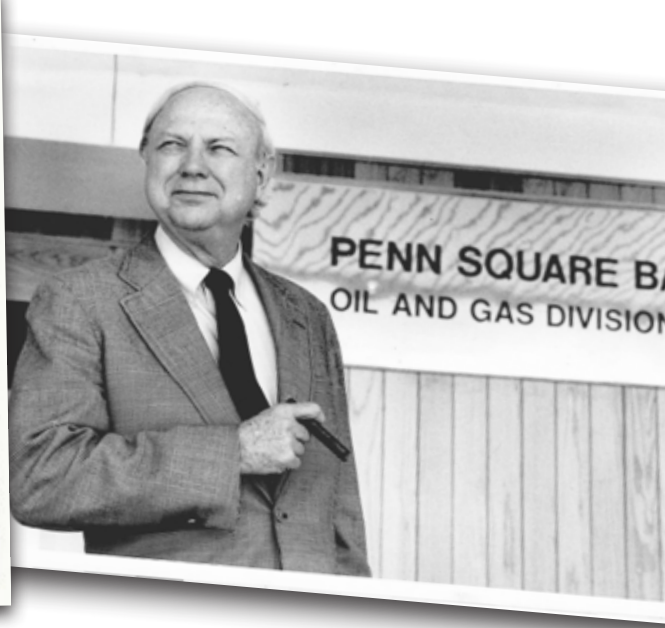
"The first time I met him, I was on an airplane," Barrett said. "He came up and introduced himself and he said, 'I think I know you. You're a lawyer from Oklahoma. Don't you do oil and gas work?'"

Barrett answered, "Yes."

Barrett said Patterson handed him a piece of paper. The paper, Barrett said, "essentially said I could present that paper at the bank and get a loan up to some unbelievable amount. That was the first time I ever met him. That was the way he dealt with people."

In his essay, "A Personal Recollection of the Penn Square Bank Failure," former Chase employee Ed Moran wrote that Penn Square Bank's loan documentation system "was a mess."

"He [Patterson] was in the habit of crediting customers' accounts with loan proceeds without informing the customer," Moran wrote. "This had



[LEFT] William G. Patterson, head of Penn Square Bank's Oil and Gas Division, July 24, 1984. [RIGHT] Penn Square's chief executive William P. Jennings, July 6, 1982. [COURTESY THE OKLAHOMAN]

the effect of some interesting conversations: 'My records show...well my records show...well, show me the note...that's not my signature,' etc. The most outstanding example of this was the guarantee of a \$31,500,000 loan to the No Sub S shell corporation."

Patterson, when asked why it was called that, answered, "Because it's not a Sub S corporation."

The guarantee was originally for \$30,500,000, but that zero had been altered in pen to form a one and then was initialed by someone, whom Moran said was probably Patterson.

"Because Oklahoma law said that a guarantee was void if altered in a "material" way, it led to the almost Talmudic discussion of when is one million dollars a material sum of money," he wrote. "We settled this and other loans to a borrower nicknamed 'Deep Gas' by swapping loans for interests in gas wells. He should have been nicknamed 'Deep Hole.'"

In the five years that Patterson headed Penn Square Bank's oil and gas division, the bank's growth was fast and very public. Federal records show the bank's assets grew fifteenfold, from \$62 million in 1977 to

more than \$525 million in 1982. At the same time, the bank's deposits rose from \$25 million in the late 1970s to more than \$475 million.



By the time the dust had cleared, records showed the bank had sold close to \$2 billion in high-risk loan participations to a syndicate of out-of-state banks.

Part of the problem, banking analyst Doug Kass wrote, was that most of those deposits “were derived from loans from other financial institutions funded by uninsured and high-interest rate jumbo certificates of deposit.”

“With more than \$1 billion of syndication sales of energy loans, Penn Square became a leader in the loan participation business,” Kass wrote.

In addition, Penn Square Bank's lack of documentation crippled the bank's ability to accurately access the health of its accounts. When the big New York bank Chase (which had purchased several of Penn Square Bank's loans) sent a team in to review documents in Oklahoma City, employees found the bank's files chaotic and unorganized.

Word of the problems began to spread. And in one instance, Fuller said, he was able to protect a client from having their life upended.

“There's a rule in the banking law that says a director has absolute liability for any losses the bank sustains through fraud or any other thing like that,” he said.

Fuller said he'd urged every client he had not to serve on such a board because of the liability. “It's a social thing for some folks, but do not do it,” he said.

One client took his advice.

Marilyn Jones Parsons was a member of the bank's board of directors. Just as the bank's problems began surfacing, Parsons resigned her position, Fuller said. “She quit based on that advice.”

A short time later, the bank's board of directors were all sued by the FDIC.

"Each director had to give up one half of their worth," he said. "No matter what it was. That was the settlement. They didn't do anything wrong. They were not like the banks that lent the money and did all this bad stuff."

At the height of Chase's investigation, Moran said more than 33 people from Chase and the law firm Milbank Tweed set up shop in Oklahoma to examine problems at Penn Square Bank.

A short time later, Penn Square Bank's larger banking partners, including Continental Illinois and Seattle First, began to clamp down on the bank's freewheeling style. At the same time, oil prices began to fall and at least one national publication published stories detailing the bank's problems.

In Oklahoma City, the bank's customers stood in line to withdraw their money.

By late 1981, the Federal Deposit Insurance Corporation and the Comptroller of Currency launched an investigation.

And on July 5, 1982, the FDIC closed the bank after declaring it insolvent.



CHAPTER 8

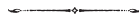
Problem-Solving During an Ongoing Crisis

If you ask attorney Frank Hill, he will tell you the end of Penn Square Bank was the beginning of a watershed moment for the law firm.

“You have to remember,” Hill said, “Penn Square was a seminal point in the firm’s history. We were always on the side of the risk takers. The business guys. The guys who would take chances. I’m not talking about the crazy guys, the wildcatters. We were always on the borrower’s side, the developer’s side.”

Penn Square’s death stalled McAfee & Taft’s growth. Hill said the bank’s failure ended McAfee & Taft’s upward momentum “pretty dramatically.”

He said the law firm worked around the clock to deal with the aftermath of Penn Square’s collapse, “It was all hands on deck.”



“At the height of the 80s, when gas prices were high and drillings were going crazy in Oklahoma, Penn Square was lending more money than existed,” said attorney Gary Fuller.

One particular client, a prominent businessman who owned an oil

and gas company, was right in the middle of all that, buying leases, drilling wells, and negotiating great gas sales agreements at great prices.

Not long after, though, the price of oil and gas collapsed, and gas purchasers simply refused to honor the prices stipulated in the take-or-pay contracts, arguing the collapse was an act of God. While the purchasers would eventually lose those arguments, the fact remained that the client was in financial trouble, said Fuller. And though he never took bankruptcy, he — like so many others — did have to do a workout with his creditors. McAfee & Taft also represented the client in a number of oil and gas litigation matters.

The firm would also represent this same businessman in another legal fight — over a racehorse.



There were moments during the 70s when the oil boom times were good. Oil and gas men were rich and happy. It was around this time that this successful McAfee & Taft client bought a horse farm in Lexington, Kentucky.

“It was one of those places with the white picket fences,” said Fuller. “It looked like the movies.”

The client didn’t want just the ranch, though. He wanted a racehorse. According to Fuller, the oilman formed a syndicate and spent millions to purchase a Thoroughbred colt sired by Kentucky Derby winner Northern Dancer. At the time of the purchase, the colt had been racing in Europe and hadn’t lost a single race. After the purchase, the prized racehorse was transported to the United States and put out to stud.

And, for a while, the new owners were very successful breeding the champion horse and collecting a sizable stud fee. Not long after, though, the horse’s offspring stopped winning races, and the breeding price dropped.

Then, the price of oil and gas dropped, and the client was overwhelmed, said Fuller.

By this time, the businessman had bought out his syndicate partners, financing the horse and ranch property through Chase Manhattan Bank.

“He owned it all at this point,” Fuller said.

The client’s goal was to turn the farm, property and horse over to Chase Manhattan and emerge debt-free.

Fuller said that, despite the fact the bank had no lien on or security interest in the horse, the Chase Manhattan officials balked at the deal, telling him they wanted more.

Fuller, Chase Manhattan officials, and the attorneys from the New York City firm that represented the bank went back and forth until Fuller — in what can only be considered a prime example of McAfee & Taft’s style — found the perfect solution.

“I told them, ‘I tell you what I’m going to do if you don’t agree to this settlement. I’m going to send a truck to Lexington, Kentucky, and I’m going to put the horse in a trailer,’” he said.

The next step of the plan involved transporting the horse to the client’s family-owned farm in Oklahoma.

“I said, I’m going to hook the horse up to a plow, and we’re going to put him to work on that farm. We’re going to use him to plow the fields. I’ll send you some pictures of it.”



Because Oklahoma law at the time specifically exempted one plow horse from creditors, Fuller's plan would exempt the multimillion-dollar horse from any bankruptcy proceeding.

"This lawyer, he just went crazy," Fuller said. "He said, 'You can't do that!' I told him, 'You come to Oklahoma City and litigate that before an Oklahoma judge and an Oklahoma jury. And you know, maybe they'll agree with you and maybe they won't. But a plow horse is exempt. So, what's a plow horse? A horse that plows. That's all I have. It's just that simple.'"

Fuller's threat worked.

The bank's big city lawyers blinked.

Chase Manhattan settled for just the assets.

By 1983, Oklahoma was suffering from a statewide depression.

The fallout from the death of Penn Square Bank spread as oil prices continued to fall, dropping from \$40 a barrel to around \$10. National businesses pulled back. Oklahoma saw itself branded a bad place to do business. Downtown Oklahoma City businesses shuttered their doors.

Across the city, bills went unpaid, and many other banks, even those that hadn't done business with Penn Square Bank, began to struggle. The subsequent oil glut and the corresponding drop in oil prices eventually resulted in the failure of 140 banks in Oklahoma.

Lawsuits Piling Up From Penn Square Bank's Failure

By Glenn Bayless
Legal disputes involving the insolvent Penn Square Bank reveal widespread controversy over the way the bank handled loans and letters of credit to finance oil and natural gas exploration.

— Two lawsuits alleging fraud in connection with investment deals are pending in Oklahoma City federal court.

— The Nebraska Securities Commission has issued an order finding Oklahoma City oilman Carl W. Swan and J.D. Allen marketed drilling fund units in Ne-

braska in violation of the state's securities law.

— Investors in Swan's and Allen's Longhorn drilling programs in 1979 and 1980 have won temporary injunctions and are seeking restraining orders to prevent a large number of Oklahoma banks from responding to Penn Square's June call for letters of credit amounting to \$3 million.

— A California court has prohibited Penn Square Bank from recalling letters of credit issued by the bank for two Oklahoma drilling programs.

And Wednesday in Oklahoma City, Roy Melton, vice president of Floyd Hubbard & Associates, an independent oil firm, sued Penn Square, its officers and directors for \$25,714.71 in actual damages and \$1.5 million in punitive damages, alleging Penn Square deducted money from his account and applied it to an over-

due loan owed by the oil firm.

In the federal district court suit, Melton said he owns 48 percent of the Hubbard & Associates stock, and was charged that portion of the over \$25,000 due on the overdue loan.

He said he was "at no time personally a guarantor upon the line of credit"

of the oil firm. He claims he was threatened with losing his own line of credit at the bank if he attempted legal action.

He demands the return of the \$25,714.71 and \$250,000 in punitive damages on each of the five claims in his suit.

His lawyer, James Levine, said the defendants Penn Square, its senior officers and directors and the new Deposit Insurance National Bank that is handling Penn Square's affairs.

The attacks on the letters of credit strike at the

foundation of much commercial lending as well as to raise capital for drilling funds.

The letters are obligations to pay over the money if it is called for by the lending bank.

Penn Square has been calling letters of credit to support loans to drilling funds that suffered a decline in the value of oil and gas production and reserves used as collateral because of new estimates reflecting lower oil and gas prices and demand.

A suit filed in Tulsa in

Jane has been transferred to Oklahoma City, Kenneth O. Melby, Dale K. Nash and Alan F. Frank allege that Longhorn and Penn Square made misleading statements in promoting drilling funds.

Ulrich Square Bank in Tulsa was originally the only bank named in the suit. The suit sought to prevent Ulrich Square Bank from forwarding letters of credit called by Penn Square before a July 1 expiration date.

A suit transferred to Oklahoma City federal court from Boise, Idaho, was brought by investor Edward G. H. claimed

Business

[COURTESY OF THE OKLAHOMAN]

“The downtown area became increasingly like a ghost town, a feeling intensified by the existence of a number of underground walkways connecting the buildings,” Moran wrote.

The sting of Penn Square Bank was also felt throughout the country. Moran wrote that the bank was often cited as being “partially responsible for problems of the Continental Illinois National Bank and Trust Company of Chicago, which was forced to write off more than \$400 million of loans purchased from Penn Square.”

And other large banks, too, faced Penn Square-related losses: Seattle First National Bank, Michigan National Bank, and Chase Manhattan Bank.

McAfee & Taft attorneys assisted their clients in bankruptcies, debt negotiations and exit strategies that would protect assets.

Some principals would rebuild, but thousands of oil company employees would lose their jobs and hundreds of companies would fail.

In 1984, Bill Patterson would be tried, and acquitted, in an Oklahoma City federal court. Just minutes after the jury began debating Patterson’s fate, federal prosecutors in Chicago announced that Patterson had been indicted by a federal grand jury there for wire fraud and misapplication of bank funds in his dealings with Continental Illinois.

After a mistrial in Chicago, Patterson would plead guilty to one count and be sentenced to two years in prison. A year after that, in 1985, Clark Long, an officer at Penn Square Bank, would be tried and found guilty of obstructing justice and self-dealing.

Long was sentenced to prison for five years.

In U.S. District Court in Oklahoma, federal Judge Lee West presided over dozens of lawsuits all spawned by Penn Square Bank’s failure. “It was a conglomeration of attorneys,” Hill said. “It was a fight for survival by a lot of these companies, and we were on the borrower’s side, 100 percent.”

McAfee & Taft, however, continued on, even with oil and gas on the ropes and many of their clients struggling financially.

What allowed the law firm to survive was the fact that because McAfee & Taft's attorneys immersed themselves in the business side of the oil and gas industry, they knew and understood the issues and the people involved.

"We had lots of guys who came up with unique, creative ways to solve the problem," Barrett said.

In 1986, almost four years to the date of Penn Square Bank's death, Oklahoma City's First National Bank collapsed.

"First National's demise ends four years in which its holding company, First Oklahoma Bancorporation Inc., lost a debilitating \$171 million, due principally to losses in the bank's commercial loan portfolio," a story published by *The Oklahoman* newspaper said.

But in an interesting turn of events, while First National Bank failed, its holding company, First Oklahoma Bank Corp., did not.

And because of some smart, common-sense advice, coupled with the fact that McAfee & Taft attorneys had a deep knowledge of their clients' financial issues, the holding company was able to protect \$6 million in bonds.

OKLAHOMA CITY, OK

TUESDAY, JULY 15, 1986

32 PAGES

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FIRST NATIONAL BANK FAILS

California Group Buys Good Assets

Liberty Among Three Bidders, Officials Confirm

By Kevin Laval
First National Bank and Trust Co. in Oklahoma City Monday became one of the largest U.S. banks to fail when it was declared insolvent and closed by federal regulators.

J.G. Cairns Jr., chairman and chief executive of First National and its holding company, said at a news conference at 7:30 p.m. outside the bank that First National's good remains were bought by First Interstate Bancorp. of Los Angeles.

Institution's Roots Page 11
Bank Bill Author Pleads Page 13
The Waiting Ends Page 17

Institution, First Interstate Bank of Oklahoma City, this morning.

Cairns said the deal protects all depositors, including those that exceed the \$100,000 insurance limit. He also said the failed bank's \$5 billion in trust assets are unaffected by the change.

First National's demise ends four years in

First National. They said regulators were trying to complete a sale before expiration Monday of a federal law allowing emergency interstate bank acquisitions.

Cairns did not return a reporter's phone calls Monday. Bank spokesman Harvey Lehnbeck said the bank's board met Monday morning.

chairman and chief executive of First National Bank and Trust Co., announces the sale of the bank to First Interstate Bancorp. of California late Monday.

By Kevin Laval
Liberty National Bank in Oklahoma City was one of three parties to bid Sunday for the remains of failed First National Bank, Liberty spokesman William Whelan confirmed Monday.

J.G. Cairns Jr., chairman and chief executive of the failed bank and its successor, First Interstate Bank of Oklahoma City, would not disclose the two losing bidders at a press conference Monday evening. But he confirmed after the conference that they were Liberty and merchant banker Hallwood Group Inc. of New York.

Whelan confirmed Liberty's involvement late Monday afternoon.

"In the evaluation process to determine whether a bid would be made, the board of directors of Liberty felt that they had an obligation to the community to help to prevent the hardships associated with the permanent closing of a bank of that size," he said.

"We can't comment on our bid; I don't think you would expect us to."

All three parties were rumored during the past few months to be interested in acquiring



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Eventually, calm returned.

Lawsuits were settled. Loans were restructured. And Oklahomans dug in and began to rebuild. A few learned their lessons.

In a story published years later by the *Journal Record* newspaper, Brad Swickey, president and CEO of Valliance Bank, told the newspaper the problems of Penn Square Bank helped spark new banking regulations and served as a cautionary tale for others in the industry.

Swickey, who worked for Oklahoma City's Liberty Bank when Penn Square Bank failed, said the lessons local banks learned from Penn Square "might have saved more Oklahoma banking institutions from going under during the last financial crisis."

"Bankers today would never allow a bank to have 80 percent of their total assets in a single classification of assets," he said.

For Moran, the final recovery of Penn Square was anticlimactic.

"We exchanged loans for cash, for oil and gas assets, for real estate — for anything that made more sense than what we had," he wrote. "The payout on these assets took many years, but I believe it was better than the hand we were dealt."

As for the McAfee & Taft attorneys involved in the fights over the bank, several said they believe the Penn Square debacle "catapulted Oklahoma's bar into national prominence."

"It centered in federal court in Oklahoma City and was the largest securities litigation in the United States. All the huge firms from the east and west coasts were in Oklahoma City. The silver lining to the bank collapse was the national exposure. It put us on the map," one attorney said.

If you travel far enough on the Northwest Expressway, you can still find Penn Square Mall. Today, the mall's signage has been updated and,

often, the parking lot is full. People visit the stores and eat at the mall's restaurants.

Of course, Penn Square Bank is no longer there.

But just east on the Northwest Expressway stands a 22-story granite tower that was originally built as Penn Square Bank's new home. And though Penn Square Bank never occupied the building, another bank is headquartered there.

Valliance Bank put its name on the tower in 2004.

CHAPTER 9

Those Difficult, Depressing and Distressing Days

Even though three years had passed since the failure of Penn Square Bank, Oklahoma's economy had yet to recover. The collapse of oil prices killed thousands of jobs and shuttered hundreds of companies.

A tight credit market, large numbers of property foreclosures, and a struggling local banking industry would push the state into a second bust in 1985. "[That time] it was pretty lean," attorney John Mee said. "There wasn't any work, but again, camaraderie made all the difference in the world."

For the attorneys and staff and McAfee & Taft, the next few years would be even more difficult. Though the firm didn't do much in the way of expansion during the mid and late 80s, it also held the line on employment of its people; there were no layoffs.

Barrett said the firm's leadership prevented layoffs by not taking a monthly draw of funds during the period. "I can't remember how long it was, but it got to the point where it started to kind of hurt," he said. "But that's part of being a partner in a law firm — sharing the profits. You're also sharing the losses."

Still, financial losses weren't the only issues McAfee & Taft faced



Sign of the times —

"Five seconds of dynamite explosions Sunday morning demolish what had stood in downtown Oklahoma City for 75 years."

[PHOTO PUBLISHED JUNE 13, 1985, COURTESY OF THE OKLAHOMAN]

during the 1980s. The death of Penn Square Bank and the subsequent failure of 140 other state banks dramatically changed the culture of Oklahoma City and Oklahoma.

Oklahomans remained frightened, fearing another

downturn. National businesses stayed away. The economy stalled and remained that way for years.

According to the *Oklahoma Encyclopedia*, the state's per capita personal income level, which was virtually identical to that of the nation in 1982, had fallen back to 81 percent by 1987.

Along with the drop in personal income, non-farm employment, which had risen from 852,000 in 1973 to 1,201,000 in 1981, fell to 1,108,000 in 1986, the encyclopedia said.

Real estate in Oklahoma and neighboring Texas and Louisiana also suffered. An analysis by the FDIC noted that "in 1986 oil prices dropped precipitously, devastating the region's economy, and the price decline and subsequent economic devastation contributed to the collapse of the overbuilt southwestern real estate market in the remaining years of the decade."

Those problems, in addition to already weakened banks and

competition from the savings and loan industry, escalated the number of bank failures.

By 1986, McAfee & Taft also faced a bigger loss. That year, about a year after the firm moved into its new headquarters at Leadership Square in downtown Oklahoma City, Kenneth McAfee died.

McAfee was 83.

McAfee's death meant the loss of a mentor, friend and a partner who had a deep understanding of his firm. "Ken McAfee had a very storied past before he became a lawyer," Barrett said. "He had done a lot of things before he became a lawyer."

Shortly before his death, McAfee was involved in an incident that would become legendary in the halls of his law firm: the tale of his black eye.

"Not too long before his death, he showed up one day with a black eye," said Barrett, "which he proudly walked around the offices showing everybody."

McAfee had been playing cards. The game turned difficult. McAfee had accused a younger card player of cheating him at the Petroleum Club.

The other guy swung first.

After word spread that McAfee had been hit, several of his clients made plans for revenge, "causing Mr. Mac to have to spend a lot of time interceding on behalf of the offending party in order to prevent him from suffering a fate much worse than he."

The unknown card player remained uninjured.



Kenneth E. McAfee

Attorney's Services Set For Saturday

Memorial services will be 10 a.m. Saturday at All Souls Episcopal Church for Kenneth E. McAfee. The Oklahoma City attorney died Tuesday at Rochester, Minn., after a brief illness.

McAfee, 83, was co-founder and senior member of McAfee and Taft law firm.

A native of Arkansas, he was graduated from the University of Oklahoma and admitted to the Oklahoma Bar in 1934; he belonged to the American and Oklahoma County Bar Associations. He was also a member of the American Institute of Certi-

[COURTESY OF THE OKLAHOMAN]

Accountants and Oklahoma Society of Certified Public Accountants.

He served as a lieutenant commander in the U.S. Navy during World War II.



[COURTESY OF JACI MCAFEE WILLIAMS]



[LEFT] McAfee family trip to Hawaii.

[ABOVE] Mr. McAfee would return from every Hawaii visit with Macadamia nuts for firm employees.

McAfee also knew how to relax. Many years before his death, McAfee, John Nichols, and a group of investors heard about a Hawaiian company facing bankruptcy. The company, a string of movie and drive-in theaters, had locations across the islands.

McAfee and his investors purchased the company, sold the theaters, and then sold off the land. The experience, Barrett said, inspired McAfee to spend more time in the islands.

“He got to liking Hawaii,” Barrett said. “He went to Hawaii a lot.”

McAfee also brought back gifts.

“Every time he went to Hawaii, he’d come back with macadamia nuts, and he would walk around and give them to everybody,” Barrett said.

After McAfee’s death, other deaths would follow.

Two years later, in 1988, Joe Rucks died at the age of 75. At the same time, Stewart Mark suffered a stroke. Then, a year later, Reford Bond died unexpectedly at the age of 58.

By 1990, following the retirement of attorney Pete Woodruff, the once snug and comfortable world of McAfee & Taft underwent a permanent change.



[COURTESY OF THE OKLAHOMAN]

CELEBRATING 50 YEARS OF TEAMWORK: Larry Nichols, Devon president and CEO; Gary Fuller, McAfee & Taft partner; John Nichols, chairman emeritus of Devon; and Terry Barrett, McAfee & Taft partner show off a plaque commemorating the partnership.

Still, McAfee & Taft, leveraging its founders' legacy, became the law firm for the oil and gas industry.

And as they had done so many times before, they built their relationships with the energy industry slowly.

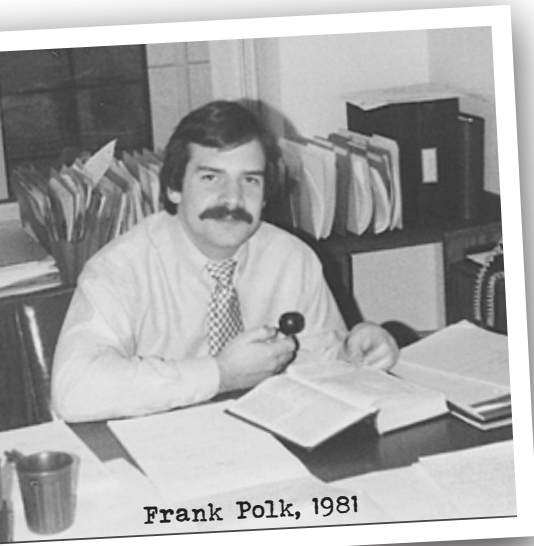
That was the case with Devon Energy.

Founded by Larry and John Nichols, Devon grew from a small operation to a national player in the oil and gas industry, with McAfee & Taft as their law firm.

By the late 1980s, McAfee & Taft was known nationwide for its expertise in petroleum law. With decades of experience — remember, it was a McAfee & Taft attorney who wrote the textbook on oil and gas law — the firm's partnership with the energy industry made up a great deal of its work.

But times were changing.

Slowly, McAfee & Taft began to expand into other areas, such as employee benefits, product liability litigation and, in 1993, aviation law. One man helped spark that change. His name was Frank Polk.



Frank Polk, 1981

A graduate of Duke, Polk had previously worked at McAfee & Taft in 1981 but left just a few years later.

“I left kind of shaking my fist at the firm in 1983,” Polk said. “And I thought it was the firm’s problem, but it was, of course, my own problem. I was doing litigation and not very good at it. I hated it. It was just every day in the courtroom. You’re just arguing with people. Most people were lying at the time.”

Polk spent the next decade at several different firms. Along the way, he discovered Dan Fowler, an aircraft lawyer. “So, I wound up doing aircraft work. And after some tough times, we made it work really well. The practice doubled,” he said.

In 1993, Polk and his wife, Lou Ann, returned to his old firm, bringing his aviation law practice with him. After a bit of a rocky start, McAfee & Taft’s expansion into aviation paid off.

“They had no idea what we were doing. But they were supportive and helpful, and it was, after a little bit of rough start, it’s been great,” Polk said. “I actually told my staff, ‘Don’t unpack.’ I was like, ‘Don’t unpack your boxes. Just keep them here, and we’ll make a decision in about a month.’ But it got better day by day. And it’s worked out. It worked out great over time.”

Today, the firm has one of the largest and most experienced Federal Aviation Administration (FAA) aviation groups in the United States, and its attorneys are recognized as experts in the field. In fact, many

of McAfee & Taft's aviation lawyers are featured speakers at regional, national and international aviation conferences.

And by leveraging the fact that part of the FAA is in Oklahoma City, Polk and his fellow attorneys expanded their practice.

"The practice developed such that somebody would handle the deal in New York, Los Angeles, Chicago or wherever, then they would need title work done in Oklahoma City," he said. "And when another firm that handled those types of transactions stopped being able to serve their clients, we started getting calls from people who'd ask us if we had time to work on their deal. We said, 'Yeah, of course,'" Polk said. "And we just went from there."



Having changed dramatically over the past four decades, McAfee & Taft now faced the loss of many of its most prominent early leaders. The losses continued. The firm would bury two more of its long-time colleagues: Stewart Mark, who died in 1993, and Eugene Kuntz, the former dean of OU's law school, in 1995.

Those deaths would again alter McAfee & Taft's culture, straining the once tight-knit group of attorneys and staff.

A national tragedy would bring them together.

CHAPTER 10

Disaster and Loss and Strength and Resilience

Spring in Oklahoma brings rain, stormy weather and, more often than not, tornadoes. In addition to the storms, spring also brings sun, blooms on the redbud and dogwood trees, and millions of daisies that sparkle on vast expanses of red dirt.

On April 19, 1995, the redbuds and dogwoods were bright and colorful. The morning was sunny. The sky was clear.

In downtown Oklahoma City, people began their day.

Attorney Frank Hill was in his son's car at the intersection of Broadway Avenue and Sixth Street. "There was quite a bit of traffic at that point in time, and there was a light at Broadway and Sixth, so we were traveling in a westerly direction pretty slowly, and finally crossed Broadway heading west," Hill said.

At the same time Hill was crossing Broadway, a yellow Ryder rental truck, filled with four thousand pounds of ammonium nitrate fertilizer and several barrels of fuel oil, exploded in front of the America's Kids Day Care center in Alfred P. Murrah Federal Building a few blocks away.

The explosion killed 168 people, including 19 children in the day care center. Another 680 were injured. The blast laid waste to a good portion of downtown Oklahoma City, damaging 324 other buildings within a



KWTV's news chopper captured the first horrifying images just moments after the devastating bombing that dramatically changed the culture of Oklahoma City. [IMAGE COURTESY OF GRIFFIN COMMUNICATIONS]

16-block radius and shattering glass in another 250 other buildings.

The explosion destroyed 86 cars and caused \$700 million in damage. The bombing was considered the deadliest terrorist attack in the United States until the attack of the World Trade Center in 2001.

“All of a sudden, there was a very powerful sound, and I actually saw the reverberation of that sound as it traveled to the north through the Journal Record Building that was very visible,” Hill said. “I was driving my son’s car, and it left the ground. It was actually off the ground, and the mirrors fell off the car both internally and externally.”

Hill said he saw shreds of paper floating through the air. “It was almost as if it were snowing or some kind of a heavy rain, and almost covered up the sun for a while.”

At Leadership Square, attorney Robert Garbrecht was running behind schedule, anticipating the birth of his first son. Garbrecht was driving in downtown Oklahoma City a little before 9 a.m.



McAfee & Taft attorneys

Frank Hill (left) and Rob Garbrecht (right)

remember the fateful events of that day of terror, April 19, 1995, as part of the firm's special 25th anniversary remembrance tribute.

"I was running a little bit late coming down to the office," he said. "Drove right by the Alfred Murrah Building five minutes, 10 minutes, before the bomb detonated."

A few minutes later, Garbrecht was in his office using his computer.

At 9:02, a co-worker entered his office. He looked at the window to see who was coming in at the very moment the bomb exploded.

"My window, when I was looking at who was coming into my office, vibrated back and forth kind of like a piece of paper if you blew on it, which is hard to describe, but it was probably three inches or so coming back and forth," he said. "And then immediately to the south, all of the buildings, the First National Building, I just saw the windows popping out and glass falling down to the floor, and it was just a horrific sight."

Attorney Susan Shields, then an attorney with a different law firm, was walking back to her office in the tunnel underneath Robinson Avenue when the Ryder truck exploded.

When she got to her office, it was chaos.

“Our offices were in the Bank of Oklahoma Plaza just two blocks south of the Murrah Building,” Shields wrote in a letter published by the Oklahoma Bar Association. “The blast broke most of the floor-to-ceiling windows on the north side of the 15th and 15th floors of our offices, and light fixtures and ceiling tiles came down. Other lawyers in my office were having a meeting in the large 16th floor conference room and took cover from the breaking glass under the table.”

Fortunately, she said, no one in her office was injured. “However, our building was cordoned off inside the perimeter of the crime scene, and it was several days before I could retrieve my car from the parking garage and personal items from my office,” she wrote.

Though the broken windows at her office were repaired and the attorneys in her office were able to go back to work, the scene outside her office would remain unchanged for days: rescue workers and law enforcement at the site of the bombing as they searched for survivors.

“If I had not had a hearing that morning, I could easily have been driving by the federal building on my way to work around the time the bomb went off,” Shields, who served as president of the OBA in 2020, wrote.

“I think many of us remember where we were that morning, but I don’t often talk about my personal experience because it pales in comparison to the tragedy of the 168 people who were killed and the more than 680 people who were injured, whose loss is unfathomable.”

Oklahoma City’s nightmare had begun.

For weeks, the city was in chaos. Emergency crews from across the country dug through the rubble of the Murrah Building, first to locate survivors, later to recover bodies.

The city’s legal community, working through the Oklahoma Bar Association’s Disaster Response and Relief Committee, assembled more than 200 volunteer lawyers in the basement of the Bar Center less than a week after the bombing to sign up to assist victims and their

families, Shields said.

Bar association records show that 143 lawyers were assigned 153 cases. Attorneys donated more than 3,000 hours to help victims with legal matters, such as guardianships, estates and probate, workers' comp, personal injury, media, insurance claims, and property issues.

"I think the OBA's service during that time, and in response to other disasters like tornadoes and flooding, makes the OBA and its Disaster Response Committee part of the 'Oklahoma Standard' that became a rallying cry for the generosity of the Oklahoma community after the Murrah bombing," Shields wrote.

At the same time, local attorneys were scrambling to help their neighbors. The Federal Bureau of Investigation launched a nationwide investigation, considered the most exhaustive in its history.

"It was a huge time in our history," Hill said.

Investigators searched through piles of twisted metal and broken concrete for clues. On April 20, one day after the blast, the FBI located the rear axle of the rental truck used in the attack. Because the axle was stamped with the truck's vehicle identification number, agents were able to trace the truck to a business in Kansas.

Employees of the business, speaking with federal agents, were able to describe the man who rented the vehicle: Timothy McVeigh.

At the same time federal agents were searching for McVeigh, McVeigh was sitting in an Oklahoma jail. Just about an hour after the bombing, McVeigh was arrested by Oklahoma State Trooper Charlie Hanger. Hanger had stopped McVeigh because McVeigh's car was missing a license plate. During the stop, Hanger found a concealed weapon inside the car and arrested McVeigh.

The FBI quickly tied McVeigh to the bombing. Investigators found trace amounts of ammonium nitrate fuel oil on McVeigh's clothes. They also found other documents, including notes written by McVeigh. In addition, two other men, Terry Nichols and Michael Fortier, were tied to the bombing plot.

Agents discovered that Nichols helped McVeigh build the bomb, and Fortier testified he sold stolen weapons to help fund the bombing. Fortier said he also accompanied McVeigh to the Murrah Federal Building four months prior to the bombing to decide where to place the truck.

“By the time agents had completed their investigation, they had interviewed more than 28,000 people, followed up on more than 43,000 leads, and reviewed close to one billion pieces of information,” a story on the National Law Enforcement Memorial Fund website noted. “The evidence they gathered weighed three and one-half tons.”

McVeigh, Nichols and Fortier were all found guilty. McVeigh was found guilty of multiple offenses, including using a weapon of mass destruction. Nichols was sentenced to eight life terms for the deaths of federal agents in the blast and to 161 life terms without parole for the deaths of the other victims. Fortier was sentenced to 12 years in prison.

In 2001, McVeigh was executed by lethal injection at the federal prison in Terre Haute, Indiana.



The bombing of the Murrah Building and the tragic loss of life dramatically changed the culture of Oklahoma City. Just a little more than a decade after the failure of Penn Square Bank and the oil bust, Oklahoma had been redefined.

No longer likened to fraud and excess, Oklahoma — and its people — were now known to the rest of the country for the “Oklahoma Standard,” a value defined by kindness, support and service to others, born out of the chaos of the bombing.

The late Jon Hansen, who served as assistant fire chief of the Oklahoma City Fire Department, told Oklahoma Watch, the investigative journalism organization, that the Oklahoma Standard came from the state’s most valuable resource: its people.

“The Oklahoma Standard that we saw wasn’t necessarily set by the public safety agencies,” Hansen said. “What brought the Oklahoma

Standard to the forefront was the community response. It was the citizens of the great state of Oklahoma who stepped up and provided, a lot of times without even asking, help, support, volunteers and different nonemergency functions. The volunteerism that they provided was the Oklahoma Standard. That's what made the core of the Oklahoma Standard in my opinion."

That change affected the city in other ways. Just prior to the Murrah Building bombing, in the fall of 1993, city leaders developed and passed the Metropolitan Area Projects (MAPS) program. That program, which earmarked a temporary one cent sales tax for municipal infrastructure improvements, led to a major redevelopment in the city.

Attorney Mike Joseph said that same belief, also reflected by McAfee & Taft's attorneys and staff, eliminated Oklahoma City's inferiority complex.

"We had a complete change with the MAPS programs and the change in developments that we now see," he said. "Downtown things like the new Omni Hotel, the Convention Center, the Museum of Art, the new First Americans Museum, and the other things where we've seen a city that people want to come to. And they want to be here."

The people of McAfee & Taft, he said, have been instrumental in helping bring about those changes. Like Joseph, Frank Hill said the city — and the state's — response to that crisis helped propel the city forward.

"Our response to the bombing of the Murrah Federal Building and worldwide recognition of the Oklahoma Standard has to be one of the most important," he said.

Attorneys Frank Hill and Rob Garbrecht would play a major role in those changes. Hill, who was within minutes of being downtown when McVeigh's bomb exploded, would go help Oklahoma City heal its wounds, serving as chairman of the Oklahoma City National Memorial Foundation's Board of Trustees. Later, attorney Rob Garbrecht also served on the board.

In addition, McAfee & Taft continued to serve as counsel to the



foundation on several issues. That commitment to making Oklahoma City whole again ran deep, Hill said.

Just two years after the bombing, in 1997, McAfee & Taft underwent even more change: Longtime attorney Judson S. “Pete” Woodruff died at the age of 71.

Two years later, in 1999, co-founder Dick Taft died at the age of 86.

During this time, in 1998, McAfee and Taft added nine new labor and employment attorneys from the firm Lytle, Soulé and Curlee: Scott Briggs, Sam Fulkerson, Rochelle Kirk, Gary Pierson, Tony Puckett, Mark Spencer, Kathy Teel, Pete Van Dyke and Nathan Whatley.

That same year, the firm established an intellectual property (IP) practice, merging with the boutique IP firm Dougherty & Hessin. The merger would add Clark Dougherty, Cliff Dougherty, Harry Gilbert, Michael LaBrie and Tony Rahhal to McAfee & Taft’s roster of attorneys.

With that addition, McAfee & Taft again expanded its portfolio of practice areas.

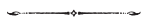
Originally, the world of intellectual property included patents, trademarks and copyrights, said attorney Cliff Dougherty III. Not so anymore.



“Now, it includes all that and the internet and overlaps with cybersecurity, and it has a lot of other aspects to it,” he said. The expansion into IP law made sense on many different levels. In addition to an immediate roster of attorneys who were experts in their subject area, the merger gave the once small firm the resources to handle larger and more complex cases.

“We once had a huge patent infringement lawsuit for Haliburton, and just about everybody in the firm had to work on it to staff it and that made it real hard on our office practices,” Dougherty said. “We did it and we got through it, but it was difficult to do.”

Joining forces with McAfee & Taft eliminated the problem and expanded McAfee & Taft’s reach.



The era that was the 1990s brought great chaos to Oklahoma and great change to McAfee & Taft. And even though the decade could be defined by disaster and loss, the 1990s also fostered strength and resilience.

That strength would be demonstrated again and again and change the way Oklahomans — and the rest of the world — viewed the state.

And the firm, having survived economic calamity, a major economic downturn and a terrorist's bombing, would rise to the occasion. McAfee & Taft would redefine itself and, at the same time, launch its biggest quest to date: bringing professional sports to Oklahoma.

CHAPTER 11

The Art of the Deal and Making It in the Big League

It took a hurricane to get a professional basketball team in Oklahoma.

It took McAfee & Taft to keep the team here.

Not that others didn't try. In fact, beginning in the early 1980s, Oklahoma did have a professional football team.

For about two years.

That team, the Oklahoma Outlaws, was part of the United States Football League, a spunky start-up football thingy with a unique plan: Instead of going head-to-head with the NFL in the fall, the USFL would dominate the spring.

At least, that was the plan.

By 1983, the USFL was underway. The Outlaws became one of the first six expansion teams. Owned by Bill Tatham, a California real estate and banking mogul, the team had originally planned to homestead in San Diego, California.

That plan died when a stadium lease fell through.

From there, Tatham set his sights on Oklahoma. A short time later, the state had its first professional sports team.

Oklahoma oilman J. Walter Duncan, a McAfee & Taft client, was

already well acquainted with the USFL, having helped found the league. Duncan told *The Oklahoman* the league was born after he and a few of his friends had a few beers and decided to create a pro football league. Duncan, however, would not own an Oklahoma team. Instead, Duncan's team was the New Jersey Generals.

"I had one too many and decided to sign Herschel [Walker]," he quipped.

Oklahomans, well known for their love of all things football, quickly embraced the league, and for a moment, things were successful. By mid-season of the Outlaws' first year, the team's record stood at 6-2, a tie with defending champion Michigan.

Ten losses later, Oklahoma's pro football team was history.

Not long after their dismal first season, the Outlaws merged with the Arizona Wranglers to become the Arizona Outlaws.

Back in Oklahoma, J. Walter Duncan had other ideas. Duncan decided to sell his team, the Generals, because he'd grown tired of traveling each weekend to New Jersey. It didn't take long for Duncan to find a buyer: Donald Trump.

After some negotiation, Trump agreed to buy the team. He paid Duncan an upfront fee and then set up a promissory note with Duncan for the remainder of the purchase price.

However, instead of pushing his team and the league forward, Trump began pushing the USFL to change its schedule. Instead of spring football, Trump wanted the USFL to move its games to fall and take on the NFL face-to-face.

The plan had disaster written all over it.

"The NFL, not to mention the college and even high school games that captured the attention of millions of fans, would surely crush another pro league, many USFL owners and executives worried," a story published by *Time* magazine said.

In addition to the move, Trump and other USFL franchise owners filed an antitrust suit against the NFL. Though Trump denied that a

merger with the NFL was his real motive, *Time* reported that documents discovered during the lawsuit show that Trump had referenced “a merger” and a “merger strategy.”

After only three seasons, the USFL was done. The league collapsed. Trump and the USFL, however, would win their lawsuit against the NFL — on a technicality. But the financial award would be small.

As in very, very small.

Exactly \$3.76.

As for Trump, however, his tenure as the owner of the Generals would prove painful — in a legal and financial sense. And once again, Trump would face lawsuits.

This time, Trump would face the attorneys of McAfee & Taft.

With the USFL on the ropes, Trump stopped paying his promissory note to Duncan.

“He just said, ‘the hell with it,’ and didn’t pay,” Frank Hill said, “so we filed a lawsuit against him.”

The suit, handled by attorneys Bob Gilliland and John Hermes, would put Trump in a bad legal position. Both sides squared off, ready for court. Then, just before the trial was set to begin, Trump and his attorneys blinked. They decided to settle.

Donald Trump, owner of the USFL's Generals, at a press conference in Trump Tower.
[PHOTO BY BERNARD GOTFRYD, COURTESY OF THE LIBRARY OF CONGRESS]



“They settled the case,” Hill said. “The Generals’ previous owners were finally paid a substantial amount. We would not go quietly.”

Trump was sent packing.

Twenty years later, in the shadow of a major Category 5 hurricane, another pro sports team would locate to Oklahoma.

Its tenure, too, would be brief.

The New Orleans’ Hornets basketball team was seeking shelter from the storm.

Hurricane Katrina, which packed 174 mile-per-hour winds, devastated New Orleans and a good portion of the Gulf Coast on August 30, 2005, killing more than 1,800 and causing \$125 billion in damage.

As a result, the Hornets could not play in New Orleans and needed a new home, at least temporarily.

Oklahoma City, its reputation now elevated by its response to the 1995 Murrah Building bombing and the success of its 1989 Olympic Festival, was ready to serve.

Though the Hornets’ original plan had been for Baton Rouge to serve as a temporary home, that plan fell through. With the Hornets close to being homeless, five cities — Kansas City, Louisville, Nashville, Oklahoma City and San Diego — inquired about hosting the team.

The NBA insisted that as part of any temporary move, the team be provided with certain revenue guaranties, and a group of Oklahoma City businessmen, under the leadership of Clay Bennett, came together to provide the necessary support for season tickets and sponsorships.

“There was a loose group of guys that got together — Clay Bennett, Aubrey McClendon, Tom Ward, Jeff Records, the Scaramucci family, Bill Cameron, Everett Dobson, Bob Howard, people like that,” Hill said.

Bennett and his leadership group committed to buy “a huge number of season tickets,” Hill said, to ensure the Hornets would temporarily locate to Oklahoma City. By opening night, the Hornets had almost

NBA's Hornets land in city



BY DAVID HARRIS, THE OKLAHOMAN

- Ford Center to host 35 games
- Ticket prices to start at \$10
- Team has option to renew

By Bryan Dean
Staff Writer

Oklahoma City is a major-league town.

In a move Mayor Mick Cornett called "a validation" of the city's MAPS program approved by voters in 1993, the city council and the National Basketball Association agreed Wednesday to a deal to bring the New Orleans/Oklahoma City Hornets to the Ford Center for 35 of 41 the team's home regular-season games in the 2005-2006 season. Should the Hornets make the postseason, the city would host those games, too.

The team will play its other six games in Baton Rouge, La. Those games are against Western Conference opponents that the Hornets play twice at home each year. Every team in the NBA will play at least once in the Ford Center.



BY DAVID HARRIS, THE OKLAHOMAN

Major-league status may be here to stay



Left: Officials announce Wednesday that Oklahoma City will be the temporary home for the New Orleans Hornets this season. From left are Mayor Mick Cornett, Hornets owner George Shinn and coach Byron Scott.

Right: With the Hornets' new home, the Ford Center, in the background, a sign in Bricktown welcomes.

[COURTESY OF THE OKLAHOMAN]

12,000 season ticket holders, twice the number the team had in New Orleans.

That group, working with the City of Oklahoma City, convinced the National Basketball Association to bring the Hornets to Oklahoma.

"The city was the key player," Hill said. "They had the Ford Center with no major tenant. They worked with the NBA to make it happen. And Mayor Cornett loved to travel and visited the NBA Commissioner's office in New York."

While Oklahoma City was to be the Hornets' home, the entire state got behind the effort. The Oklahoma Legislature even exempted Hornets' ticket sales from state sales taxes.

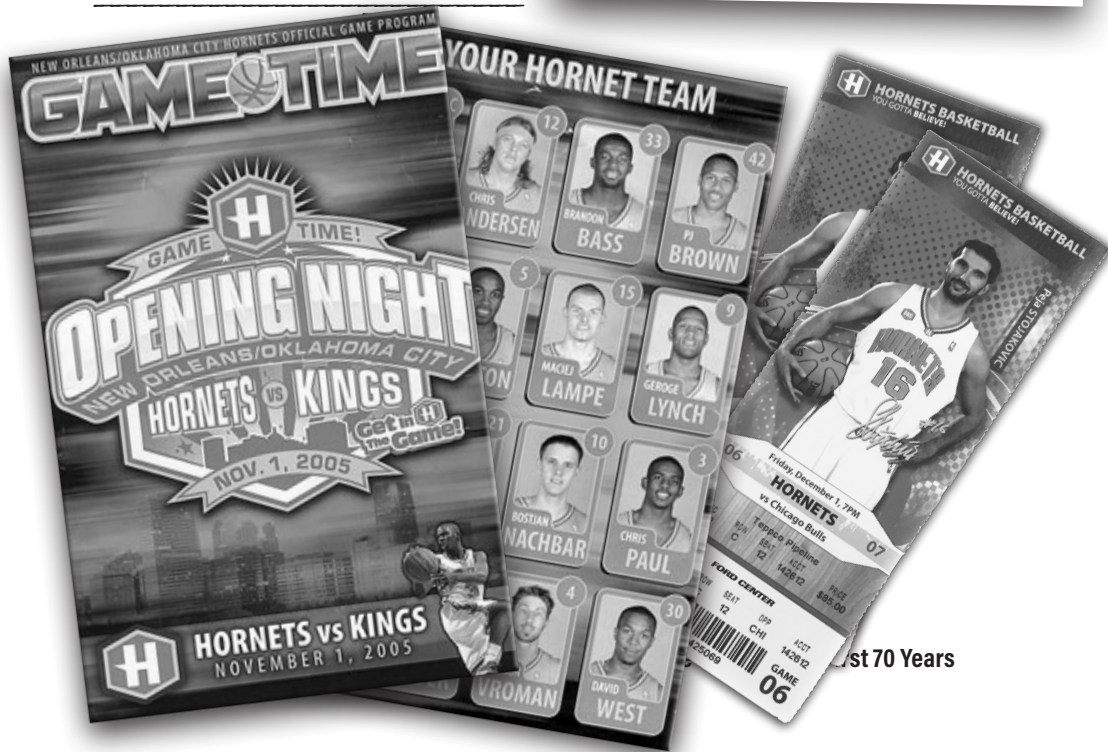
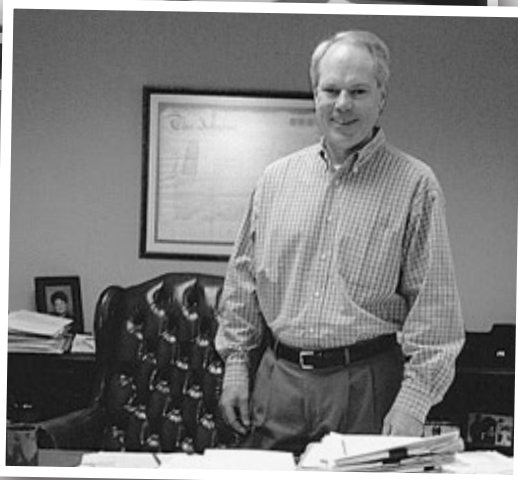
With little time — less than 60 days before the regular season started on November 1 — to put the deal together, the NBA retained McAfee & Taft to handle the transaction.

Hill and Rick Riggs led the firm's efforts, which included finalizing the agreements between the NBA, the team, the city, and the business leaders providing financial assurances.



[ABOVE] Former NBA executive Harvey Benjamin spoke via videoconference about the people and efforts involved in getting all the legal pieces in place to facilitate the temporary relocation of the New Orleans Hornets to Oklahoma City for two seasons.

[RIGHT] Frank Hill (top right) and Richard Riggs led the firm's efforts representing the NBA.



est 70 Years

“We worked with the NBA,” Hill said. “They sent a task force of 40 to 50 people that just moved to Oklahoma City to put everything together.”

Riggs said the NBA’s effort was led by Harvey Benjamin and Joel Litvin. Benjamin was a senior NBA executive and a native New Yorker who had never been to Oklahoma. He took charge of the negotiations for the league.

Litvin was the NBA’s general counsel. He was smart and diplomatic, Riggs said. “Both Harvey and Joel became great advocates for the city.”

By late September, time was running out, and no one wanted the first regular season game to be played anywhere other than the Ford Center. As part of the negotiations, and in addition to the ticket sales commitments, the NBA required the city to guarantee the Hornets would receive a minimum amount of revenue while they played at Ford Center.

“We all worked together around the clock for 60 days,” Hill said. “It was an amazing deal.”

That requirement, however, became a major sticking point.

Hunkered down in the firm’s Oklahoma City offices, McAfee & Taft would negotiate with the city for 12 days before finalizing a Ford Center arena lease to be entered into between the city and the team.

“By the end of the day the major deal points were in place,” Oklahoma City Mayor David Holt wrote in his book, “Big League City.” “In this second phase, the Hornets finally took a seat at the table in the person of Oklahoma City attorney Armand Paliotta. The parties completed in two weeks something that would have taken several months under normal conditions.”

Of course, these were far from normal conditions, Holt wrote.

While Oklahoma City Manager Jim Couch would handle the financial components of the deal, Mick Cornett, the city’s mayor at the time, actively participated and argued that the team’s name should be changed to include “Oklahoma City.”

Oklahoma City residents, Holt said, wouldn’t buy tickets if they

didn't feel the team was "their own" on some level. The team's new name would reflect Cornett's efforts. For the next two years the team would be known as the New Orleans/Oklahoma City Hornets.

Still, the Hornets' stay in Oklahoma City would be short.

"The team was called, awkwardly, the New Orleans/Oklahoma City Hornets," wrote Sam Anderson, in his book, "Boom Town." "For Oklahomans, however, awkwardness be damned. This team was a miraculous gift."

A major league team, Anderson wrote, meant national news stories and TV broadcasts and 35 nights of action downtown. "It meant that some of the most famous humans on earth — Kobe Bryant, Shaquille O'Neal, Kevin Garnett, LeBron James — would literally be coming to Oklahoma City, staying in its vacant hotels, eating at its merely functional restaurants."

And thousands of less famous humans would follow, Anderson wrote. "It was not only an economic boon. It was validation: an outside chance to become a real place."

And so, the Hornets came to Oklahoma City, and the city, in turn, embraced the Hornets.

During the Hornets' first season in Oklahoma City, the team's attendance skyrocketed from 30th among NBA teams to 11th.

"The Hornets lost roughly half of their games and missed the playoffs, but OKC's arena was almost always sold out," Anderson wrote. "And it became instantly notorious as one of the loudest places in the league. This was not run-of-the-mill fandom. It was an eruption of emotion from a deep primal well."

The relationship between Oklahoma City and the team on loan from Louisiana became so strong that many city residents didn't want the Hornets to leave.

But keeping the Hornets would have been problematic, Hill said.

"It would have been a bad deal," he said. "You couldn't do that. It would have been going against your word, which means everything

here. The best thing was for the Hornets to go back. They had redone the New Orleans arena, and they had a better home.”

And so, after two years in Oklahoma, the Hornets returned home.

And, once again, Oklahoma City briefly had, and then lost, a pro sports franchise; only this time, things were different.

The NBA had noticed Oklahoma City.

“The NBA noticed the bizarre instant passion of the people of Oklahoma City. It noticed, too, the city leadership’s ability to deliver on complex logistics, responsibly, in almost no time at all,” Anderson wrote.

And the league, he said, liked this mix of frenzy and level-headedness.

With Oklahoma City now on the NBA’s radar, there was a real chance that sometime in the future, when an NBA team sought to relocate its franchise, Oklahoma City would be the first in line.

That chance happened quickly, thanks to the same group that brought in the Hornets. Clay Bennett and his colleagues began looking for an NBA team they could call their own.

They found one in Seattle.



Howard Schultz, the CEO of Starbucks and the owner of the Seattle SuperSonics, wanted to sell his team. The once proud SuperSonics, Anderson wrote, were languishing in mediocrity, stuck in a subpar arena and watching their ticket sales fade.

There were issues. The linchpin being the need to put the SuperSonics on sound financial footing and the need for an up-to-date arena or a massive refurbishment of KeyArena, the team’s current home.

So far, Schultz had been unable to secure public funding for such a project.

“Seattle loved the Sonics, sure,” Anderson wrote, “but it had plenty of other distractions, football, baseball, restaurants, music, theater — all that bounty of cultural relevance.”

Meanwhile, Oklahoma City had an aggressive investor group with

spirit, and they weren't used to being told "no." McAfee & Taft's Martin Stringer, a skilled business lawyer and strategist, began working with the group led by Bennett.

In 2006, Bennett approached Schultz, offering him \$350 million for his team. But Bennett and company had competition. Larry Ellison, the CEO of Oracle software, had also approached Schultz. Ellison said he would pay \$425 million for the team, but Ellison's deal would also move the team to San Jose, California.

"Despite his threats, Schultz didn't want to be the man who handed the Sonics to another city," Holt wrote.

Bennett's deal, even though it was less, would prevail, Holt said, due in part to the fact that "Bennett was willing to give it a shot in Seattle."

Bennett's assurances to fight for a new or refurbished Seattle-area arena helped secure approval of the sale by one vote, 5 to 4, of the Sonics' board of directors.

For Bennett and his investors, the first hurdle was cleared, but the future was uncertain.

"Bennett and his partners had every reason to believe that the threat of relocation to Oklahoma City would finally break the arena funding logjam in Seattle," Holt wrote. "A breakthrough such as that would keep the Sonics in Seattle for another generation."

Bennett emailed investors on June 16, 2006. In his note, he told the group that purchasing the Sonics would be a win-win: If they were successful in getting a new or upgraded arena in Seattle, the value of the team would increase and could, then, be sold for a nice profit.

If the arena funding in Seattle failed, he said, the group would be free to move the Sonics to Oklahoma City when the team's current lease with the city of Seattle expired.

On July 18, 2006, Bennett announced his group had purchased the Sonics for \$350 million, subject to approval by the NBA Board of Governors. As the deal was being finalized, Bennett said he would give Seattle one year from the closing of the sale to fund a new arena. If that

solution to the Sonics' financial woes was not successful, Bennett would seek to negotiate a buyout of the Sonics' arena lease and relocate the team.

While the public and the media reaction was less than enthusiastic, Bennett "spared no expense in putting together a Seattle dream team to turn around the conventional wisdom," Holt wrote.

On October 24, 2006, the NBA approved the sale of the Sonics to The Professional Basketball Club, LLC, which was owned by Bennett and the other Oklahoma City investors. At that point, Bennett also became the team's representative to the NBA Board of Governors.

In Seattle, the reaction was not positive.

Fans complained. Officials pushed back.

Bennett and Oklahoma City became the enemy.

Still, Bennett kept his agreement. Multiple sites in and around the city of Seattle were considered by professional arena and real estate consultants. After considering multiple options, Bennett asked the Washington State Legislature to build a \$500 million arena in Renton, a suburb of Seattle located adjacent to Boeing's headquarters. Bennett's plan included \$300 million in public funding.

The Washington State Legislature said "no."

Speaking just a day after Bennett announced his plans, Washington State House Speaker Frank Chopp, a Democrat from Seattle, told the media that Bennett's plan was dead on arrival.

The ugliness continued.

The Sonics' fans went negative. Their plan was to prevent Seattle officials from negotiating a lease buyout with Bennett. On September 10, the Seattle City Council, following the group's lead, passed a resolution that prevented any city official from negotiating with Bennett for a buyout. The city also budgeted \$1 million for the fight.

The writing was on the wall.

"Though Bennett had promised Schultz to give the effort until October 31st, for all practical purposes, Seattle and the Washington State Legislature had now delivered their answers to Bennett and the NBA,"

Holt wrote. “Seattle was simply not that into the NBA.”

By the summer of 2007, Bennett’s deal had grown even more complicated.

In August, Oklahoma City’s *The Journal Record* published an interview with Bennett’s partner, Aubrey McClendon, the CEO of Chesapeake Energy. In the interview, McClendon said Bennett’s syndicate “didn’t buy the team to keep it in Seattle.”

In Seattle, all hell broke loose — again.

McClendon said his statement shouldn’t be interpreted to mean “the organization has not exhaustively pursued every reasonable avenue to get an arena deal done and keep the Sonics in Seattle.”

A week after that, Bennett was forced to make nice with NBA Commissioner David Stern. In an email to Stern, Bennett said McClendon’s comments were “not new policy” and the team’s plan was the same as it had been.

The back and forth between Oklahoma City and Seattle intensified.

“Things got nasty,” Anderson wrote. “Seattle fans launched a campaign called Save Our Sonics, as well as a Facebook group targeting Bennett. Bennett, Anderson said, had to travel in Seattle with security. “It was a PR disaster that became known to some as ‘Sonicgate.’”

Echoing the Seattle City Council, Washington voters went to the polls and shot down the idea of funding for the new arena, overwhelmingly passing an initiative petition that prevented public funding of sports facilities unless the facility could pay for itself.

For Hill and others at McAfee & Taft, the political scuffle was frustrating. Hill said Bennett’s group did try everything possible to get Seattle officials to either build a new arena or update KeyArena for the team.

“In the state of Washington, the team had to navigate a complex, multifaceted governmental process to obtain approval of public funding for a new arena or a major renovation of KeyArena” he said. “But in the end, they simply wouldn’t do it.”

OKLAHOMA CITY BUSINESS GROUP BUYS SEATTLE SUPERSONICS

SONIC BOOM?

Shinn: Deal won't affect Hornets' immediate future in Oklahoma City

Page 6C

Group made repeated attempts to buy the Hornets, but owner George Shinn refused

Page 6C

Oklahoma residents react to purchase of Sonics and what it means for the Hornets

Page 7C

Part of the deal includes the Seattle Storm franchise of the WNBA

Page 8C

Professional Basketball Club, LLC

Professional Basketball Club, LLC, the Oklahoma City-based group buying the Seattle SuperSonics for \$350 million, will be owned by Oklahoma City residents.

For the OKC Star, see page 1C.



JOHN RONDA

Connecting the dots for a city about

SENDING AN S.O.S.



NBA: Season ticket holders accuse team of false advertising

Fans file lawsuit against Sonics

By Danell Mayberry
Staff Writer

The Oklahoma City-based ownership group of the Seattle Sonics now has two lawsuits filed against them in Washington state.

Sonics for breach of contract and a violation of Washington's Consumer Protection Act.

The complaint seeks an unspecified amount of monetary damages and attorney fees. The suit claims that a letter from the team was sent to potential season ticket buyers after Sonics Chairman Bennett and his ownership group purchased the franchise from the Seattle-based team.

ma City, Okla. The two fans are represented by a law firm that filed a lawsuit against the Sonics and Storm, sought to prevent the team from relocating since the team was in the city. Tom Rainsch, attorney's representative, said neither fan season tickets were sold. "But if it's known that it's a lie, then it's a lie," he said.

THE OKLAHOMAN | NEWSOK.COM

SPORTS

FRIDAY, JUNE 13, 2008 — 3C

Two sides ready legal strategies in Sonics case

By Randy Ellis
Staff Writer

The city of Seattle and owners of the NBA SuperSonics presented radically different views of the team's future in Seattle late Wednesday as attorneys staked out their legal strategies in preparation for a trial scheduled to begin Monday.

Seattle is suing the team's Oklahoma ownership group headed by Clay Bennett and the city is suing the team's owners.

990 to 985 jobs, and an additional \$25.1 million a year in additional household income (exclusive of player and staff salaries) in the Seattle metropolitan area.

The city also contends it receives "intangible benefits" that cannot be fairly compensated with money.

"The Sonics create civic pride, a sense of community, greater visibility to the country, and the city's reputation as a major sports destination."

"Given that departure is inevitable, what will be gained by two years of forced performance, measured against huge financial losses and putting a hold for two years" the owners said.

Owners also accused the city of having "unconscionable" in the deal. The owners said they would move the team to Oklahoma City now.

The owners offered the city more than \$26 million to get out of the lease, an amount that would have more than covered the expected payments to the city under the remaining two years of the contract (an estimate of \$10 million and move the team to Oklahoma City now).

shia J. Peckman will ultimately make that call.

Perhaps fitting for a lawsuit involving a sports team, she is putting the city and the owners on the clock: Each side will have 25 hours to make its case in a trial that is scheduled to last all of this week.

Fight over Sonics' lease heads to trial in Seattle on Monday

By Chris Casteel
Washington Bureau

The SuperSonics, the NBA team that has played in Seattle since 1967, is moving to Oklahoma City. The only question is when.

Study: KeyArena doesn't measure up

The Oklahoma owners of the Seattle SuperSonics have repeatedly cited inadequacies of Seattle's KeyArena and an estimate that the arena is too small to attract a major league team.

about half the size of arenas that have opened in the past few years, but a much more expensive one.

test, Ford Center after renovations.

Trial is just what Sonics, Seattle need to resolve their bitter feud

The trial of the century.

Seattle. Finally, this bitter feud gets what it's long needed.

A referee. And just one David Stern's beleaguered grayhairs.

U.S. District Judge Marshall

Seattle vs. Clay Bennett has had all the civility of the Korean conflict.

[COURTESY OF THE OKLAHOMAN]

other arenas. Seattle tried to drive a wedge between Bennett and the city. Bennett, who sold the Sonics in the first place, is mulling trying to sue Bennett for trying to sue face with a new stadium, which might keep his Sonics sales high.

And Mister Coffee, Howard Schultz, who sold the Sonics in the first place, is mulling trying to sue Bennett for trying to sue face with a new stadium, which might keep his Sonics sales high.

Bennett countered by filing an arbitration demand with the American Arbitration Association. Bennett's filing, published accounts show, asked the group to rule on whether he could negotiate out of the time remaining on the Sonic's lease.

Three days after that, Seattle City Attorney Tom Carr filed a lawsuit that asked the court to force the Sonics to play in Seattle through the end of their lease, through 2010.

The gloves were off. Both sides had "lawyered up." Hill and his fellow attorneys at McAfee & Taft, however, were ready.

Just as they had on so many other occasions, McAfee & Taft stepped into the center ring. Everything hinged on the lawsuit. If Bennett and company lost, Oklahoma City wouldn't see a major league team for years. If they won, Oklahoma City would have its first permanent major league professional sports team in the state's history.

Either way, the stakes were huge.



Seattle officials thought their lawsuit was a sure winner.

This attitude prevailed because buried in the Sonics' lease was a clause that said the city wanted more than just money from the team. The clause, in effect, said the city expected extra benefits from playing the Sonics' games in the arena, including economic impact in the neighborhood, cultural value, prestige and marketing revenue.

"The city of Seattle also had an apparent ace in the hole," Holt wrote. "Its lease with the Sonics had a 'specific performance' clause that essentially said the city could hold the Sonics to their lease." It was language that all but trumped the usual legal presumption that payment of damages following a breach of contract was enough, a presumption that would normally facilitate negotiating a lease buyout.

Yet another problem: The lawsuit would be heard in Seattle. McAfee & Taft was from Oklahoma City, and the firm lawyers representing the team were not admitted to practice in Washington.

As a result, the firm partnered with Seattle-based attorneys Brad Keller and Paul Taylor. Keller would serve as the team's lead attorney, with McAfee & Taft's team in the second chair.

Other lawsuits were filed. One lawsuit accused Bennett of false advertising. Another action was filed by the Sonics' season ticket holders. "The season ticket lawsuits were a sideshow to the main event," Holt wrote, "but the sheer volume of lawsuits would test the mettle of any man."

A small cadre of McAfee & Taft lawyers, including Martin Stringer and Jim Webb, traveled to Seattle to work directly with Keller and Taylor to prepare for trial. In Oklahoma City, Hill said, McAfee & Taft attorneys dropped everything and focused "24/7" on the issues at hand.

Their efforts were focused on two fronts: first, responding to the various lawsuits being filed in Seattle and, second, seeking to negotiate a buyout of the team's KeyArena lease.

Just before Christmas in 2007, federal Judge Marsha Pechman was assigned to the Seattle lawsuit. About a month later, Pechman set the date of the trial: June 16, 2008.

The Sonics' first run at a settlement failed, even though the team offered close to \$30 million to settle the lawsuit, cover the final two years of rent at KeyArena, and pay off the arena's outstanding debt payments.

Seattle city officials rejected the offer.

On April 18, 2008, the NBA approved the Sonics' relocation request by a vote of 28-2. The approval, records show, included a provision that the Sonics would pay the NBA a \$30 million fee for the right to relocate.

The only two negative votes were cast by Mark Cuban, owner of the Dallas Mavericks, and Paul Allen, majority owner of the Portland Trailblazers and co-founder of Microsoft.

One day later, on April 19, Schultz, the team's former owner, stepped back into the fray. Schultz announced that he, too, was going to file a lawsuit against Bennett and The Professional Basketball Club. He said his lawsuit would prove that Bennett and PBC had not made a good

faith effort to keep the Sonics in Seattle.

Three days before Schultz's announcement, Washington's two U.S. senators sent a letter to the NBA, opposing the Sonics' relocation to Oklahoma City. Oklahoma U.S. Senator Jim Inhofe countered with a letter of his own, supporting the move.

A short time later, Keller and McAfee & Taft landed their next punch, alleging in a court filing that the city of Seattle was actively conspiring to force the Sonics' owners to sell the team to Microsoft CEO Steve Ballmer.

Four days after the NBA approved the relocation, Schultz made good on his threat, filing his lawsuit against Bennett and PBC. The lawsuit claimed negligent misrepresentation and fraudulent inducement.

"Rather than try to accuse Bennett and PBC of not making a good faith effort to get a new arena in Seattle as agreed, Schultz was alleging that Bennett had never intended to keep the Sonics in Seattle," Holt wrote.

Eventually, Schultz's lawsuit would find its way to Judge Pechman, the same judge overseeing the city of Seattle's lawsuit against the Sonics.

On April 25, 2008, NBA Commissioner David Stern said it would require a legal action without precedent to keep the Sonics from moving to Oklahoma City.

About a week later, on May 2, Bennett and the Sonics alleged in their newest brief that the city of Seattle had formed an unseemly alliance with others to force Bennett and his syndicate to sell the team.

Three days after that, the Sonics filed another brief, asserting they would lose about \$40 million if forced to stay in Seattle. The brief also claimed that the Seattle municipal officials "had secretly worked against the Sonics at the Washington State Legislature in 2007" when Bennett and his syndicate were seeking to get an arena built in Renton.

On June 16, 2008, the case finally went to trial.

The trial lasted several days. However, it was in the final few days of the trial that Keller's and McAfee & Taft's strategy surfaced. The firm hit the city of Seattle hard, revealing the city's "poisoned well" plan.

That plan, Seattle leaders hoped, would financially bleed Bennett's syndicate dry, cause financial ruin for Bennett and force the group to sell the team.

The evidence devastated Seattle's case.

On June 26, both sides concluded their closing arguments. Judge Pechman announced that her verdict would be posted online on the afternoon of July 2, 2008.

At the same time, settlement negotiations with the city of Seattle, which had been quietly occurring for several weeks, now took center stage. By July 1, the groups were holding around-the-clock discussions.

Then, on July 2, 2008, just hours before Pechman was set to release her decision, lawyers for the Sonics and for the city of Seattle announced they had reached a settlement.

The Sonics were bound for Oklahoma City.

"The critical thing you have to understand was that our firm negotiated the original deal and agreements to buy the SuperSonics. We had closed that deal, which was very helpful," Hill said.

Holt wrote that around 7 p.m., Bennett called Oklahoma City Mayor Mick Cornett with a short message: "Congratulations."

The settlement agreement had several interesting provisions, including a requirement that the Sonics would pay Seattle \$45 million immediately and a provision that if the Washington State Legislature appropriated at least \$75 million by the end of 2009 to renovate KeyArena and if the NBA failed to deliver a franchise to Seattle within five years, then the Sonics would owe the city of Seattle another \$30 million.

The Washington State Legislature never delivered.

Finally, the settlement provided that if for any reason the Sonics did not play in Oklahoma City because of actions due to Schultz's lawsuit, then the city of Seattle would be forced to pay the Sonics \$22.5 million for each missed season and its right to the \$30 million payment following a KeyArena renovation would be forfeited.

Schultz remained defiant, saying his case would proceed.

We're in the big league now

Decision: Our record helped secure OK of Sonics' move

Reaction: Joy in Oklahoma and predictions of success

Courts: Battle in Seattle could delay move, not stop it



With approval from NBA owners, team could play here as soon as next season

Danell Mayberry
Staff Writer

started the relocation process Nov. 2 after the team was approved by the NBA.

MORE COVERAGE

In Sports

■ You didn't need a license to move

2 dates are so near in time, but so far

Now that Seattle lawsuit has been dealt with, the NBA is on its way here to stay

'WE MADE IT'

Five things you'll want to know about the basketball team's move

1 When is the team moving here?
Immediately. Clay Bennett said the transition to Oklahoma City begins today. Players, coaches and the business staff will move as soon as possible.

2 Could Howard Schultz force the team back to Seattle?
Only if Schultz were to win his pending lawsuit. Bennett said he and his partners and the group's legal team are confident the lawsuit from the team's former owner is baseless, and they will fight it aggressively.

3 What will be the team nickname?
It won't be the Sonics. Bennett said his group will unveil a nickname and colors in the next few weeks after considering all the suggestions they've received.

4 What are the basics of the settlement deal?
Team owners agreed to pay Seattle \$45 million now to break the lease. The team will pay \$30 million more if the Washington legislature by the end of 2003 approves funding for a new building for an NBA team or for renovation of the KeyArena but Seattle fails to get a team within five years.

5 When will tickets go on sale?
Soon. In the meantime, fans can get their name on a list. It's not a first-come, first-served basis. Fans and corporations can get on the list by visiting supersonics.com or calling (888) 434-HOOP.

By Randy Ellis and Chris Costello
Staff Writers

The Seattle NBA basketball team will start moving to Oklahoma City this morning and will play in the Ford Center this fall under terms of a settlement announced Wednesday. "We made it," said Oklahoma City investor Clay Bennett at a 7 p.m. news conference. "Congratulations. The NBA will be in Oklahoma City next season playing their games." "The move of this operation and this team begins tomorrow morning," he said. "It begins with our most important piece of our organization. It begins with our players."

Oklahoma City Mayor Mick Cornett called the announcement "a red letter day in the history of the city — right up there in the top five or 10 days that we've ever had."

The SuperSonics name and colors will remain in Seattle. A new name for the Oklahoma City team will be announced "soon," Bennett promised. The settlement reached between Seattle and the team could require owners to pay city up to \$75 million to break the lease at Seattle's KeyArena and move to Oklahoma City according to the agreement.

Bennett and other owners agreed to pay Seattle \$45 million now to break the lease.



[COURTESY OF THE OKLAHOMAN]

NBA IN OKC: The complete report

Jared Carlisle: At long last, it's finally time for Oklahoma City to really celebrate. **Page 3C**

Danell Mayberry: Now that it's official, what's the next step for getting a team here? **Page 3C**

Steve Lackmeyer: The arrival of the NBA means big news and changes downtown. **Page 4C**

How do you get tickets? And did having Hornets tickets help you? **Page 3C**

Meet the team: Just who's on the team heading to the city? **Page 5C**

On NewsOK.tv: Berry Tansel and Danell Mayberry explain the ins-and-outs of what Clay Bennett said. And coming today, more reactions.

On NewsOK.com: Add your comments to the conversation about the settlement.

At the same time, Brad Keller called Schultz's lawsuit a "far-fetched legal remedy seeking to salvage Schultz's tarnished reputation."

Two days after Schultz's announcement, the NBA asked the court to be allowed to intervene and become a party in Schultz's lawsuit. The NBA's brief included a waiver signed by Schultz in 2006 that stripped him of all legal rights to sue Bennett and PBC.

On August 29, 2008, Schultz dropped his lawsuit. The final cost for Bennett and his group: more than \$425 million.



After the dust settled, McAfee & Taft shifted its focus to moving the Sonics to Oklahoma City. Even with the love Oklahoma City had previously shown the Hornets, there was still a massive amount of work to be done.

"We had to essentially take a crash course in the business of basketball," attorney Rick Riggs said. "We learned a lot about it in a hurry — because we had to."

Riggs said the firm created agreements with the host arena, food service providers, and other groups that would do business with the team from scratch. "We drafted these documents without a lot of samples to go by, it was a great challenge. But it was also very rewarding to see those documents come together and be finally negotiated — and many still survive today."

Hill said the effort to bring the Sonics to Oklahoma was easier because the team would be in a place that wanted them.

"It was a multifaceted, multiyear, complex moving target," he said. But the results were simple to see; the Sonics moved to Oklahoma City and changed their name to the Thunder.

The story of bringing the Thunder to Oklahoma City, Hill said, is incredible.

"One amazing fact is that when our client purchased the Sonics, a number of employees of the former owner were invited to work for

PBC,” he said. “Many of them were outstanding young professionals and became great friends of McAfee & Taft.”

Many employees chose to move with the team from Seattle to Oklahoma City, including Danny Barth, the team’s current executive vice president.

“Danny and many others are now Oklahomans and have raised their families here and are highly respected members of our community,” Hill said.

And in the end, the wind that swept the Hornets to Oklahoma City, also brought Thunder.

CHAPTER 12

Evolution and Expansion in the New Millenium

Richard Taft's death in 1999 sparked more changes at his beloved law firm. Though Taft had little involvement in the day-to-day operation at this point, he remained a beloved figure. Still, Taft's death forced the firm to evolve yet again, changing from a top-down management style of just a few attorneys to that of a more centralized, democratic business.

"When I started, it was really John Mee, Ted Elam and Gary Fuller who were directing the firm at that point," said former managing director Richard Nix. "It was the board who had around 20 something people on it, but those three were really kind of responsible for directions."

And as the firm grew, its governance became more democratic — a bonus when one practice area, reflecting the current business trends, is down while, at the same time, another practice area is up.

"In down years, we always talk about having countercyclical practice groups," Nix said. "Different areas prosper while others don't. And whenever those practice areas that may be down a little bit, well that's a wonderful opportunity to get people in, to train them so that when the teeter-totter goes the other direction, we're ready for it."

What made McAfee & Taft different, attorney Mark Burget said, was

FIRM LEADERSHIP



Ted Elam



Gary Fuller



John Mee



Mark Burget



John Hermes

[TOP ROW] As the firm's founders and first generation leaders retired or passed on, senior attorneys Ted Elam, Gary Fuller and John Mee stepped into the roles of firm leadership.

[LEFT] In 1998, McAfee & Taft shareholders elected to change its leadership structure and appointed the firm's first managing director, Mark Burget. He was succeeded in 2001 by John Hermes, who served two 3-year terms. Richard Nix was elected managing director in 2007, serving three consecutive terms. He was succeeded in 2016 by Mike Lauderdale, who was serving his third term at the time of this publication.



Richard Nix



Mike Lauderdale

the connection between its people. “It was the way the people interacted with each other,” he said. “At other firms, the focus was on billable hours.”

Not so at McAfee.

“We just do the best we can possibly do, and we figure out how we’re going to bill the client. Yes, we keep track of our time so we can bill clients, but we are all in this together.”

That attitude has taken the firm well beyond its humble beginnings to being known now as the state’s largest law firm.



A year before the firm mourned Taft’s death, Mark Burget was elected as McAfee & Taft’s first managing director. In 2001, Burget stepped away as managing director to become area director of Search Ministries but remained of counsel with the firm. John Hermes would replace Burget as managing director.

In 2004, Hermes was elected to his second three-year term as managing director, pushing more growth. Just a year later, in 2005, McAfee & Taft expanded its business transactions practice, adding four lawyers from the Oklahoma City law firm of McKinney & Stringer, which had announced it was closing. Martin Stringer, Phil Sears, Tommy Baker and James Crumpley now worked for McAfee & Taft.

By 2006, McAfee & Taft’s lawyer count had increased to 115.

That growth would continue under the direction of Richard Nix, the firm’s third managing director.

In 2008, McAfee and Taft expanded its footprint, adding an office in downtown Tulsa in the ONEOK Building. This addition was necessary, records show, because the firm’s client base in Tulsa and northeastern Oklahoma had been expanding for years.

In Tulsa, attorneys John Burkhart, Reuben Davis, Bill Freudenrich, Chuck Greenough, Gerald Hilsher, Nick Schneider, Barry Smith, and Susan Walker would come from the law firm of Boone, Smith, Davis, Hurst and Dickman, prior to its dissolution.

The expansion to Tulsa was both strategic and profitable.

Just a year later after its Tulsa expansion, McAfee & Taft acquired the law firm of Joyce and Paul, PLLC, adding attorneys Leanne Barlow, Bob Joyce, Chris Miller, Chris Paul and David Winfrey.

In Oklahoma City, a \$4 million, 20-month renovation of the firm's downtown headquarters was completed. The lawyer count increased to 153.

"Every telephone call received, every letter issued, every document produced and exhibited, every appearance in court or in conference, has a bearing upon the image the firm builds for itself," McAfee would write in a letter, which explained the philosophy behind his law firm. "The legal and non-legal employees share responsibility in this respect with the partners. But the partners must establish policies and guidelines to see that all perform in a manner to reflect credit on the firm."

All these things, McAfee wrote, "become more complex and more difficult to keep tuned with increase in the number associated together for the practice of law."

Another decade passed. More changes were happening in Oklahoma City. The Thunder, now a permanent part of the city's landscape, continued to draw crowds.

And Oklahoma City continued to grow.

Data from the U.S. Census Bureau showed that Oklahoma City's population stood at 579,999. By March 2010, the national publication *Business Insider* listed Oklahoma City as No. 4 on its list of cities that were "Having an Awesome Recovery."

That same year, Richard Nix began his second three-year term as managing director.

Under Nix, McAfee made strategic expansions, cherry-picking top-flight attorneys from other firms and expanding into Tulsa. Nix also oversaw the merger with Eldridge, Cooper, Steichen & Leach.





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McAfee & Taft

WELCOMES



ROBERT J. JOYCE



CHRIS A. PAUL

McAfee & Taft is pleased to be expanding both its Tulsa office and its environmental, regulated industry and litigation practices with the addition of Robert J. Joyce and Chris A. Paul.

Together, they bring more than 45 years of hands-on experience and in-depth expertise serving the highly complex and specialized business needs of clients in the pipeline, manufacturing, aviation and aerospace, and petroleum industries.

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PROPERTY • LABOR AND EMPLOYMENT • LITIGATION • Mergers & Acquisitions • REAL ESTATE • TAX AND FAMILY WEALTH • TRADE

McAfee & Taft is pleased to add to our depth of talent by welcoming eight of Oklahoma's finest lawyers to our new downtown Tulsa office.

Located in the ONEOK Plaza building at 5th Street and Boulder Avenue, our new office sits in the heart of Tulsa's business district and is conveniently located near City of Tulsa and Tulsa County government offices, the Tulsa County Courthouse and Federal Courthouse.

Since our founding in 1952, McAfee & Taft has grown to become Oklahoma's largest law firm, serving clients throughout the Southwest and nationally in the areas of aviation, business law, corporate and securities, employee benefits, energy, entertainment, environmental law, healthcare, intellectual property, labor and employment, litigation, real estate, and tax and family wealth.



**When the stakes are high,
you want these guys on your team.**

And so did we.

Together with their partners, they've tried more than 250 cases to verdict in courtrooms around the nation, represented Fortune 100 companies in high-profile litigation, and amassed a winning record few trial lawyers can claim.

McAfee & Taft is pleased to welcome trial lawyers Mary Quinn Cooper, Bill Leach and their partners and colleagues from Eldridge Cooper Steichen & Leach to our growing Tulsa office and our winning team of more than 180 lawyers.

McAfee & Taft
ATTORNEYS & COUNSELORS



McAfee & T&T

Dirt Ball

Thursday, December 3rd | The Skirvin

Reception at 6:30pm | Dinner at 7:30pm | \$50 per person | Black Tie



Though McAfee & Taft's attorneys are well known for their dedication, focus and hard work, once in a while, they stop to have a little fun.

Consider Dirt Ball.

Born during the 1980s in one of the ugliest real estate markets in Oklahoma history, a group of McAfee real estate attorneys created the Dirt Ball. The name — reflecting the idea that real estate is land and dirt — stuck.

The event “sought a temporary reprieve from the daily grind of endless foreclosures, bankruptcies and whining clients” by setting aside one night, the night of the Dirt Ball, as a night of celebration. Even though they had nothing to celebrate, the event's official history said.

In addition to the ball, the group also chose a King (or Queen) of the Dirt Ball.

“On this one special night, the Dirt Lawyers would go out and live life as though there were no tomorrow, enjoying every moment and having all the fun that could be had in a single night.”

Originally held at the Waterford Hotel, the Dirt Ball celebration continued uninterrupted until a dispute arose between the ball's organizers and Waterford officials over “the actual quantity of beverages consumed,” the history noted.

And though the matter was never completely resolved, it was forgotten after the Waterford changed hands.

For a while, the Dirt Ball was sidelined.

In 2001, however, the Dirt Ball was revived, this time with an expanded guest list that included other attorneys from the firm and not just those who practiced real estate.

“And though we are not all Dirt Lawyers anymore, we continue to pass the Royal Crown from year to year to one special attorney as we enjoy every moment of this one special night.”

Fun, indeed.



Just two years after it opened its Tulsa office, McAfee & Taft would need more space. In 2010, the firm moved from its home in the ONEOK Building south to a larger office on Boulder Avenue in the MAPCO Building.

There, McAfee & Taft would lay claim to the 8th, 9th and 10th floors of the building.

Soon, 15 more attorneys would join the firm, following the merger with Eldridge, Cooper, Steichen & Leach, PLLC, a boutique litigation firm that specialized in high-profile product liability defense.

Attorneys Ruth Addison, Brita Cantrell, Mary Quinn Cooper, Ellen Cordell, Fred Cornish, Travis Cushman, Jessica Dickerson, Richard Eldridge, Bill Leach, Andrew Richardson, Vani Singhal, Michael Smith, Tom Steichen, Alison Verret, and Harold Zuckerman would become part of McAfee & Taft.

The merger was a milestone for McAfee & Taft and put the Oklahoma firm in the area with some of the most well-known attorneys in the country. Now McAfee & Taft saw its client base expand to include even more Fortune 500 companies.

Two years after the expansion, Nix would begin his final three-year term as managing director.

By 2015, McAfee & Taft ended the year with 174 attorneys. In 2016, with its growth still on an upward trajectory, the firm moved its Tulsa office for the third time. Now, the office was located on the 11th and 12th floors of the Williams Center Tower II. That same year, Michael F. Lauderdale succeeded Nix as managing director

In 2017, the firm expanded again — this time to Springfield, Missouri — and added local trial lawyers Sherry Rozell, Steve Ward, Valerie Dixon and Alex Riley to the team.

Later, five more attorneys — Kirk Turner, Samantha Marshall, Jake Crawford, Harrison Kosmider and Micah Petersen — joined the firm from Tulsa-based Newton, O'Connor, Turner & Ketchum, bringing the attorney count to 183.



OKLAHOMA CITY OFFICE 1952-1957
Liberty Bank Building



TULSA OFFICE 2008-2010
ONEOK Plaza



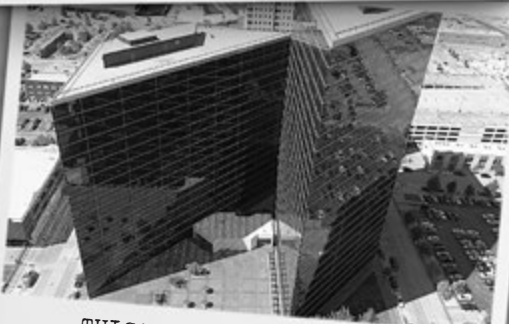
OKLAHOMA CITY OFFICE 1957-1972
First National Building



TULSA OFFICE 2010-2016
MAPCO Plaza



OKLAHOMA CITY OFFICE 1972-1985
100 Park Avenue Building



TULSA OFFICE 2016-present
Williams Center Tower II



OKLAHOMA CITY OFFICE 1985-present
Two Leadership Square



SPRINGFIELD OFFICE 2017-present
4050 S. Fairview Avenue



In 2018, the firm would be selected for yet another high-profile task followed closely by both state and national media: taking the lead role in an investigation about allegations of sexual abuse within the Catholic Church of Oklahoma City.

The issue began with a letter.

In August of that same year, the Archdiocese of Oklahoma City received a letter from a former Oklahoman who reported being abused by a priest in the 1980s. A short time later, the archdiocese ordered a full review of the priest's history.

A few days after, Oklahoma City Archbishop Paul Coakley said the archdiocese would review and report all past allegations of child sexual abuse by priests. Coakley's action followed a national outcry over allegations that the Catholic Church had covered up allegations of sexual assault by its priests.

In 2015, the movie "Spotlight" told the story of the Boston Globe's investigation of the sexual assault and abuse by Catholic priests in Massachusetts. After the movie's release, victims' groups and church officials began to release information about past allegations.

"This is a very dark moment in the history of our beautiful, but wounded, Catholic Church. We are called to prayer and penance for the purification of the Church, and our bishops and priests must set the example," Coakley said in a television interview. "It calls for a renewed commitment to vigilance, transparency and accountability from our shepherds and indeed for the whole Church."

By conducting an internal and independent review of previous allegations, no matter how painful this process may become, Coakley said he was "committed to reviewing and sharing the specifics of these cases."

That review, launched in 2018, would be led by McAfee & Taft.

At the beginning, church officials believed the investigation would only take 10 to 12 weeks.

Those estimates were wrong.

On October 3, 2019, McAfee & Taft released a 77-page report that identified 11 priests who, the firm said, faced substantiated allegations of sexual abuse of minors between 1960 and 2018.

“The Archdiocese wanted a thorough, independent investigation; McAfee & Taft provided precisely that,” Ronald T. Shinn Jr., the attorney who led the investigation, told reporters. “It should be noted the Archdiocese was under no obligation to initiate this outside investigation, and that by doing so, it subjected itself to independent review and criticism of its past actions. While this investigation and our report address difficult and painful issues, we hope the public will commend the Archdiocese’s transparency and accountability.”

Following the report’s release, the executive director of the Survivors Network of those Abused by Priests (SNAP) told The Associated Press that he was impressed with the Oklahoma City report, which he described as one of the most comprehensive investigations commissioned by church officials that he’d ever seen.

Responding to the report, Coakley said the church must do more and remain vigilant in its fight to protect the most vulnerable.



By 2019, McAfee & Taft’s breakneck growth had slowed. Mike Lauderdale began his second three year-term as managing director, and the firm ended the year with 183 attorneys.

Now firmly established as the largest law firm in Oklahoma, McAfee & Taft began 2020 facing a global pandemic. From mid-March until early May, documents show, most of the firm’s attorneys worked from home.

Even with most of its staff relocated, the firm continued renovating its Oklahoma City offices.

Still, even as the firm changed and grew and evolved, it has kept true to its core principles, attorney Frank Hill said. The firm’s founders, he said, would be astounded by the firm’s changes.

“We are all here today because we were here in the bad times and the pretty good times...before the fall of Penn Square Bank...the very, very difficult times from 1982 until 1995. It was a long haul to get back to some semblance of normalcy. But I think the founders would be amazed with our law firm.”

PART 4

The Future

CHAPTER 13

An Enduring Legacy

The history of Oklahoma is littered with stories of companies who rose to great heights, only to crash spectacularly back to earth. Sometimes the wounds are self-inflicted; in other instances, outside forces conspire to destroy what those who were willing to take risks created.

On rare occasions, a few of these businesses will rise again. They regroup and rebuild and see new successes.

The tale has been repeated many times.

The attorneys at the firm of McAfee & Taft are aware of this history. They have watched as some of their clients — and sometimes those outside the firm — fought, struggled and lost.

These same attorneys have also worked hand in hand with those who wanted to rebuild and push Oklahoma City — and, in turn, the entire state — forward.

The work hasn't always been easy.

But in almost every instance it's been collaborative.

"I think one of the things that we've tried to accomplish and ingrain into our firm is the idea of absolutely working together and being collaborative and fair with one another and absolutely eliminate, to the extent possible, competition among ourselves," attorney Frank Hill said.



Adverse competition. Cutthroat competition. The type of competition that pits attorneys against attorneys or practice groups against practice groups is the downfall of many law firms, Hill said.

“Collaboration is critical in our law firm,” he said. “I think it’s been the bedrock of our success. And other people, the people with whom we work know that. We trust one another. It’s something very rare to have. You trust the lawyers with your firm, but we have lawyers on the outside who we work with a lot, and they trust us.”

It also means that lawyers should be part of their community, he said.

“We don’t want people being back in the office and not meeting people or not getting out and engaged in different aspects of the community,” he said. “We want them to be there. I think it’s critical that our younger lawyers get out and get engaged in the community, beyond just driving home and being isolated. I think there are all kinds of opportunities for service in our community that are very hopeful. It opens up all kinds of new opportunities.”



Now, in its seventh decade of operation, McAfee & Taft remains Oklahoma’s largest law firm. Its Oklahoma City offices, which occupy five floors at Leadership Square, continue to expand.

The firm may be bigger, but the ideas and the driving philosophy remain the same: Represent the client as best as possible and help them grow.

“Our clients have grown,” Fuller said. “And you want to grow with your clients. Devon started out as a nothing deal; I mean, you know, it couldn’t even pay our bills initially. And it was over a long period of time that it all developed.”

Fuller said attorneys learn a lot by representing clients when they are building.

“I had no international experience with P and O, Peninsular and Oriental Steam Navigation System, which at the time was the world’s

largest shipping company,” he said. “They became a partner with Devon early on and financed a lot of their stuff. We learned a whole lot of law and stuff on that, and that exposed us to a lot of folks.”

At its core, Hill said, the firm’s culture is all about character.

“I think we all strive to keep that alive,” Hill said, “even though we don’t know each other nearly as well as we used to, simply because of the separation and we’re just a larger firm now.”

In addition to their clients, the attorneys of McAfee & Taft have also invested time and energy in their communities.

“We have always been involved in the community, and we’ve always had a major impact in the development of this community and in the changes we’ve seen,” said attorney Mike Joseph. “That’s also reflected in the way the entire city has changed.”

McAfee & Taft, Joseph said, reflects the changes within Oklahoma City.

“I’d say we used to be a city that had a major inferiority complex, where in the 90s we had a complete change,” he said. “We’ve seen a city that people want to come to and want to be a part of.”

Working with nonprofits and other civic organizations, he said, helps give back to the community.

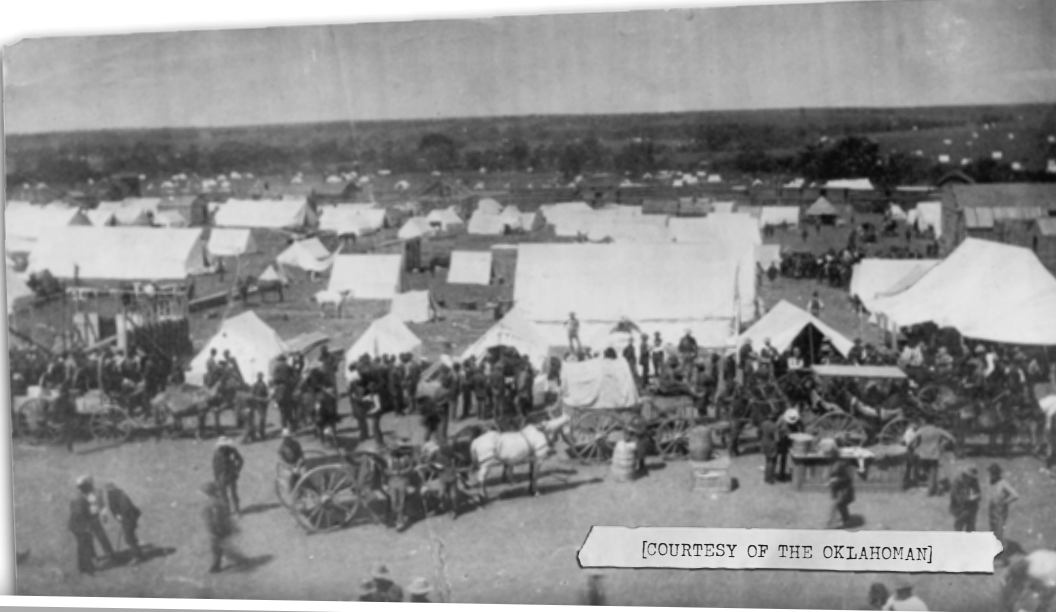
“I always said that was a responsibility of our lawyers,” Joseph said. “It also gave me the opportunity to understand what our community was like and to help as part of the growth of the community and the prosperous activity that was occurring. It makes you proud of your community.”



The first 70 years have passed quickly.

What was once a two-man operation is now Oklahoma’s largest law firm with offices in two states. No longer just an oil and gas firm, McAfee & Taft has added new practice areas and new attorneys.

Oklahoma City has grown, too.



[COURTESY OF THE OKLAHOMAN]

Oklahoma City then and now:
 (top) three days old and
 (bottom) 133 years later



Once a tent village, the state's capital is now a vibrant, active urban center and the home of national and international business and an NBA franchise.

One thing, however, has remained constant.
 The people.

Whether they're residents or attorneys, the people of McAfee & Taft and the people of Oklahoma continue to strive and push and work hard to make their lives better. Each group needs the other.

And though the days of two attorneys sharing a single secretary are long gone, McAfee & Taft's culture of collaboration and the idea of trying to assist clients by "wiring around the problem" will continue long into the next 70 years.

Epilogue

Red dirt. Wind. Oil and gas.

Football. The bombing. Tornadoes. The Thunder.

Each has a story. Some stories have been passed down for generations, others are new. A few have yet to be told.

But these stories, and the Oklahomans who have experienced them, tell a much more robust story of this state and of its people. Often, it's the largest tales — the ones that are the best known — that don't present the entire story.

A good attorney will read the majority opinion; a great attorney will always, always read the dissent, because all arguments matter.

The story of the McAfee & Taft law firm helps flesh out the tale of Oklahoma and its people. Instead of just the version as told by the winner, the story of McAfee & Taft gives us a deeper understanding of life in Oklahoma from the Great Depression until today.

The stories of this law firm, those who built it and the work they have done, are contained in dozens and dozens of interviews, a thousand pages of transcripts, emails, documents and videos.

The story of McAfee & Taft is a tale of the men and women who fought, won and sometimes lost battles, armed only with their minds.

It is the story of friends and opponents and issues and ideas.

It's the story of how, sometimes, "wiring around the problem" is the absolute best possible solution.

The story of McAfee and Taft is the story of hundreds of people who remained focused on a single goal: assisting their clients.

Yes, Kenneth McAfee and Richard Taft may be gone, but their ideas, beliefs, philosophy and their law firm live on.

And those stories — new tales told by new attorneys — will spring to life over the next 70 years.



Author's Note: *This book would not have been possible without the assistance of Robin Croninger, McAfee & Taft's marketing director, and Brad Neese, creative director. They produced the majority of the interviews this book was based on, and over the course of 2021, provided assistance, encouragement and support. For this, I am truly thankful.*

— M. Scott Carter, October 2021

McAfee & Taft History Timeline

- 1950** Solo practitioner Kenneth McAfee registers the nation's first drilling fund for Blackwood & Nichols Company with the Securities and Exchange Commission.
- 1951** Richard G. Taft joins Kenneth McAfee in practice.
- 1952** McAfee & Taft officially founded.
Office address is 1316 Liberty Bank Building.
- 1953** Mr. Mac buys Thermo-Fax copier, one of the first of its kind bought in Oklahoma. Lawyers from all over come to the office to see how it works.
Oliver Wendall Cates joins the firm.
- 1957** Firm renamed McAfee, Taft & Cates.
Offices relocated to
2020 First National Building.
- 1958** Eugene Oscar Kuntz joins firm.
Firm renamed McAfee, Taft, Cates & Kuntz.

- 1959 Reford Bond III and Stewart W. Mark join McAfee & Taft.
- 1960 Firm renamed McAfee, Taft, Cates, Kuntz & Mark.
- 1963 Firm renamed McAfee, Dudley, Taft, Cates, Kuntz & Mark after the firm associates with John B. Dudley Jr. and Paul Dudley.
- 1965 Eugene Kuntz becomes dean of the University of Oklahoma College of Law.
- 1966 Firm is renamed McAfee, Dudley, Taft, Cates & Mark.
- 1968 Jerry A. Warren hired as first associate out of law school.
- 1971 John B. Dudley, Jr. (1911 – 1971) dies.
Firm renamed McAfee, Taft, Cates, Mark, Bond & Rucks after merger with Fowler, Rucks, Baker, Jopling, Grimlich & Mee.
- 1972 Firm relocates offices to fifth floor of 100 Park Avenue Building.
Terry R. Barrett and Dewey D. Dobson hired as first clerks.
- 1973 Firm announces change of its name to McAfee, Taft, Mark, Bond, Rucks & Woodruff following the departure of Oliver Wendall Cates.
- 1975 Becky Marshall and Connie Gore are first female attorneys to be hired at the firm.
- 1980 Articles of incorporation amended February 29, 1980; Firm renamed McAfee & Taft A Professional Corporation.

- 1985** Firm moves into newly opened Leadership Square in downtown Oklahoma City.
- 1986** Ken McAfee (1903 – 1986) dies at age 83.
- 1988** Joe Rucks (1913 – 1988) dies at age 75.
- 1989** Reford Bond (1930 – 1989) dies at age 58.
- 1993** Stewart Mark (1915 – 1993) dies at age 78.
McAfee & Taft establishes global aviation practice to assist clients with aircraft title, registration, finance and regulatory matters.
- 1995** Eugene Kuntz (1913 – 1995) dies at age 81.
- 1997** Judson S. "Pete" Woodruff (1925 – 1997) dies at age 71.
- 1998** McAfee & Taft significantly expands labor and employment practice with the addition of nine lawyers from Lytle, Soule & Curlee.
McAfee & Taft establishes intellectual property practice by merging with Dougherty & Hessin, a boutique IP firm.
Mark Burget elected as the firm's first managing director.
- 1999** Dick Taft (1913 – 1999) dies at age 86.
- 2001** John N. Hermes succeeds Mark Burget as managing director.
- 2005** McAfee & Taft expands its business transactions practice in October 2005 with four lawyers from McKinney & Stringer, PC, prior to its dissolution.

- 2006** Firm surpasses 115 lawyers, becoming the state's largest law firm.
- 2007** Richard D. Nix succeeds John Hermes as managing director.
- 2008** McAfee & Taft opens Tulsa office with eight lawyers from the law firm of Boone, Smith Davis, Hurst & Dickman, prior to its dissolution.
- 2009** McAfee & Taft merges with Joyce & Paul, PLLC.
Renovation of Oklahoma City offices completed. The \$4 million construction project was performed in 18 phases over 20 months.
Attorney headcount surpasses 150. Firm ends the year with 153 lawyers.
- 2010** Tulsa office moves to MAPCO Building (8th, 9th and 10th floors), 1717 S Boulder.
- 2011** McAfee & Taft merges with Eldridge Cooper Steichen & Leach, PLLC, a boutique litigation firm specializing in high-profile product liability defense.
- 2016** Michael F. Lauderdale succeeds Richard Nix as managing director.
Tulsa office moves to Williams Center Tower II (11th floor and part of 12th floor).
Firm ends year with 178 attorneys.
- 2017** Firm opens office in Springfield, Missouri, its first office outside of Oklahoma.
- 2018** McAfee & Taft expands Tulsa office in April 2018 with five lawyers from Newton O'Connor, Turner & Ketchum PC, prior to its dissolution.
Firm ends year with 183 attorneys.

2020 Firm commences renovation of its Oklahoma City offices, which includes a new conference center on the south side of the 8th floor, as well as the relocation of the Message Center and Founders Conference Room to the 8th floor.

Firm responds to early onset of COVID-19 pandemic in the United States, with most lawyers and staff working remotely from mid-March to early May.

Firm ends year with 178 attorneys.

2021 Firm completes renovation of its Oklahoma City offices and expands its Tulsa offices.

2022 Firm celebrates 70th anniversary.



Find more stories, photos, documents, videos and the latest updates about McAfee & Taft's past and present at mcafeetaft.life.

About the Author

A sixth-generation Oklahoman, **M. Scott Carter** is an award-winning reporter and writer who has worked as a journalist for more than four decades and has spent the majority of his career as an investigative reporter.

A published novelist, his first novel, *Stealing Kevin's Heart*, was a finalist for the Oklahoma Book Award. His second novel, *The Immortal Von B*, earned the Oklahoma Book Award for Young Adult Fiction, the Gold Award for Young Adult Fiction from the National Independent Book Publishers Association, and *Foreword Magazine's* 2013 Gold Award for Young Adult Fiction.

Carter holds an associate's degree from Northern Oklahoma College, a bachelor's degree in journalism from the University of Oklahoma, and a master's degree in professional writing from The University of Oklahoma's Gaylord College of Journalism and Mass Communication.

He and his wife, Karen, live in Oklahoma City with their six children.



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