

**IN THE DISTRICT COURT OF BLAINE COUNTY
STATE OF OKLAHOMA**

BLAINE COUNTY, OKLAHOMA
FILED

AUG 18 2023

CHRISTY MATLICK, CLERK
BY *[Signature]*
DEPUTY

DDL OIL & GAS, LLC)
and DUSTIN M. FREEMAN,)
)
Plaintiffs,)
)
v.)
)
DIVERSIFIED PRODUCTION, LLC)
successor by merger with)
TAPSTONE ENERGY, LLC,)
)
Defendant.)

Case No. CJ-2019-17

CLASS REPRESENTATIVES' MOTION FOR FINAL APPROVAL

Class Representatives DDL Oil & Gas, LLC and Dustin M. Freeman, on behalf of themselves and all others similarly situated, respectfully file this Motion for Final Approval, and hereby move the Court for final approval of the following:

1. Proposed class action Settlement;
2. Form and manner of the Notice sent to the Class; and
3. Proposed Initial Plan of Allocation.

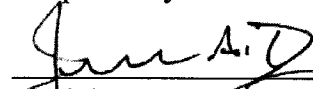
Class Representatives base this Motion on the Settlement Agreement, the applicable law, and all pleadings and records on file in this matter, which are respectfully incorporated by reference as if set forth fully herein. Class Representatives also base this Motion on their Memorandum of Law in Support of this Motion, which is filed contemporaneously herewith.

Class Representatives' Proposed Order and Judgment Granting Final Approval of Class Action Settlement ("Final Approval Order") is attached hereto as Exhibit 1. Class Representatives' Proposed Initial Plan of Allocation Order is attached hereto as Exhibit 2.

WHEREFORE, Class Representatives respectfully request the Court grant the requested relief by entering the proposed Final Approval Order and the proposed Initial Plan of Allocation Order, as well as any such further relief to which the Court finds Class Representatives and the Settlement Class entitled.

DATED: August 18, 2023.

Respectfully submitted,



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Paula M. Jantzen, OBA No. 20464

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LIAISON LOCAL COUNSEL

CERTIFICATE OF SERVICE

I hereby certify that on August 18, 2023 a true and correct copy of the foregoing document was sent, via first class mail and/or electronic mail, to the following counsel of record:

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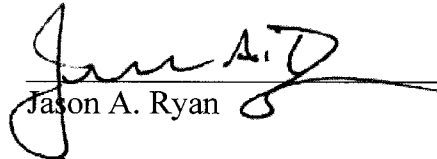

Jason A. Ryan

Exhibit 1

Order and Judgment Granting Final Approval of Class Action Settlement

**IN THE DISTRICT COURT OF BLAINE COUNTY
STATE OF OKLAHOMA**

DDL OIL & GAS, LLC)	
and DUSTIN M. FREEMAN,)	
)	
Plaintiffs,)	
)	
v.)	Case No. CJ-2019-17
)	
DIVERSIFIED PRODUCTION, LLC,)	
successor by merger with)	
TAPSTONE ENERGY, LLC,)	
)	
Defendant.)	

**ORDER AND JUDGMENT GRANTING FINAL APPROVAL
OF CLASS ACTION SETTLEMENT**

This is a certified class action brought by Plaintiffs DDL Oil & Gas, LLC and Dustin M. Freeman (“Plaintiffs” or “Class Representatives”), on behalf of themselves and all others similarly situated (“Plaintiffs” or “the Class”), against Defendant Diversified Production LLC, successor by merger with Tapstone Energy, LLC (“Defendant”) for the alleged failure to pay statutory interest on payments made outside the time periods set forth in the Production Revenue Standards Act, Okla. Stat. tit.52 § 570.1, *et seq.* (the “PRSA”) for oil and gas production proceeds from oil and gas wells in Oklahoma. On June 8, 2023, the Parties executed a Stipulation and Agreement of Settlement (the “Settlement Agreement”) finalizing the terms of the Settlement.¹

On July 7, 2023, the Court preliminarily approved the Settlement and issued an *Order Granting Preliminary Approval of Class Action Settlement, Certifying the Class for Settlement Purposes, Approving Form and Manner of Notice, and Setting Date for Final Fairness Hearing* (the “*Preliminary Approval Order*”). In the *Preliminary Approval Order*, the Court, *inter alia*:

¹ Capitalized terms not otherwise defined in this Order shall have the meaning ascribed to them in the Settlement Agreement.

a. certified the Settlement Class for settlement purposes, finding all requirements of Okla. Stat. tit.12 § 2023 have been satisfied, for settlement purposes only, with respect to the proposed Settlement Class;

b. preliminarily found: (i) the proposed Settlement resulted from extensive arm's-length negotiations; (ii) the proposed Settlement was agreed to only after Class Counsel had conducted legal research, discovery, and analysis regarding the strengths and weaknesses of Class Representatives' and the Settlement Class's claims; (iii) Class Representatives and Class Counsel had concluded that the proposed Settlement is fair, reasonable, and adequate; and (iv) the proposed Settlement was sufficiently fair, reasonable, and adequate to warrant sending notice of the proposed Settlement to the Settlement Class;

c. preliminarily approved the Settlement as fair, reasonable, and adequate and in the best interest of the Settlement Class;

d. preliminarily approved the form and manner of the proposed Notice, Summary Notice, and Long Form Notice to be communicated to the Settlement Class, finding specifically that such Notice, Summary Notice, and Long Form Notice, among other information, fairly and adequately: (a) described the terms and effect of the Settlement among other information; (b) notified the Settlement Class of the time and place of the Final Fairness Hearing; (c) described the options for requesting exclusion from the Settlement or objecting to the Settlement or any part thereof; and (d) directed potential Class Members to where they may obtain more detailed information about the Settlement;

e. instructed the Settlement Administrator to disseminate the approved Notice by mail to potential members of the Settlement Class, to publish the Summary Notice, and

to display the Long Form Notice and other documents related to the Settlement on an Internet website in accordance with the Settlement Agreement and in the manner approved by the Court;

f. provided for the appointment of a Settlement Administrator;

g. set the date and time for the Final Fairness Hearing as September 18, 2023 at 10:30 A.M. in the District Court for Blaine County; and

h. set out the procedures and deadlines by which Class Members could properly request exclusion from the Settlement Class or object to the Settlement or any part thereof.

After the Court issued the Preliminary Approval Order, due and adequate notice by means of the Notice, Summary Notice, and Long Form Notice was given to the Settlement Class, notifying them of the Settlement and the upcoming Final Fairness Hearing. On September 18, 2023, in accordance with the Preliminary Approval Order and the Notices, the Court conducted a Final Fairness Hearing to, *inter alia*:

a. determine whether the Settlement should be approved by the Court as fair, reasonable, and adequate and in the best interests of the Settlement Class;

b. determine whether the notice method utilized by the Settlement Administrator: (i) constituted the best practicable notice under the circumstances; (ii) constituted notice reasonably calculated under the circumstances to apprise Class Members of the pendency of the Litigation, the Settlement, their right to exclude themselves from the Settlement, their right to object to the Settlement or any part thereof, and their right to appear at the Final Fairness Hearing; (iii) was reasonable and constituted due, adequate, and sufficient notice to all persons and entities entitled to such notice; and

(iv) meets all applicable requirements of the Oklahoma Rules of Civil Procedure, the state and federal Constitutions, and any other applicable law;

c. determine whether to approve the Allocation Methodology, the Initial Plan of Allocation, and distribution of the Net Settlement Fund to Participating Class Members;²

d. determine whether a Judgment should be entered pursuant to the Settlement Agreement, *inter alia*, dismissing the Litigation against Defendant with prejudice and extinguishing, releasing, and barring all Released Claims against all Released Parties in accordance with the Settlement Agreement;

e. determine whether the applications for Plaintiffs' Attorneys' Fees, reimbursement for Litigation Expenses, and Case Contribution Award to Class Representatives are fair and reasonable and should be approved;³ and

f. rule on such other matters as the Court deems appropriate.

The Court, having reviewed the Settlement, the Settlement Agreement, and all related pleadings and filings, and having heard the evidence and argument presented at the Final Fairness Hearing, now **FINDS, ORDERS, and ADJUDGES as follows:**

1. The Court, for purposes of this Order and Judgment (the "Judgment"), adopts all defined terms as set forth in the Settlement Agreement and incorporates them as if fully set forth herein.

² The Court will issue a separate order pertaining to the allocation and distribution of the Net Settlement Proceeds among Participating Class Members (the "Plan of Allocation Order").

³ The Court will issue separate orders pertaining to Class Counsel's request for Attorneys' Fees and reimbursement of Litigation Expenses and Class Representatives' request for a Case Contribution Award.

2. The Court has jurisdiction over the subject matter of this Litigation and all matters relating to the Settlement, as well as personal jurisdiction over Defendant and Class Members.

3. The Settlement Class, which was previously certified, is defined as:

All non-excluded persons or entities:

All non-excluded persons or entities who received or, during the pendency of this action will receive, Untimely Payments from Defendant for O&G Proceeds from Oklahoma Wells and whose payments did not also include the statutory interest prescribed by the Act.

The persons or entities excluded from the Settlement Class are: (1) agencies, departments, or instrumentalities of the United States of America and the State of Oklahoma, including but not limited to the U.S. Department of the Interior (the United States, Indian tribes as defined at 30 U.S.C. §1702(4), and Indian allottees as defined at 30 U.S.C. §1702(2)); (2) Commissioners of the Land Office of the State of Oklahoma (CLO); (3) publicly traded oil and gas companies and their affiliates; (4) persons or entities (and their affiliates) who are the Oklahoma Corporation Commission (OCC) designated operator (and as reflected on Drilling Info, Inc., doing business as Enverus, data reports) of more than fifty (50) Oklahoma wells in the month when this Class definition was originally filed; (5) persons or entities that Plaintiffs' counsel may be prohibited from representing under Rule 1.7 of the Oklahoma Rules of Professional Conduct.; (6) officers of the court, and (7) Owners in regard to whom Defendant is required by the Act to pay O&G Proceeds annually for the 12 months accumulation of O&G Proceeds totaling less than \$100.00, provided, however this exclusion of so-called "minimum pay" Owners does not apply to interest claims for other 12 month periods accumulation of O&G Proceeds when the same Owner was entitled to \$100 or more and thus not in a "minimum pay" status.

The Court finds that the persons and entities identified in the attached Exhibit [REDACTED] have submitted timely and valid Requests for Exclusion and are hereby excluded from the foregoing Settlement Class, will not participate in or be bound by the Settlement, or any part thereof, as set forth in the Settlement Agreement, and will not be bound by or subject to the releases provided for in this Judgment and the Settlement Agreement.

4. As used in this Order and Judgment, the following terms shall have the following meanings:

- a. **“Released Claims”** include all claims and damages (statutory, contract, tort, equitable, punitive, and other relief) of the Releasing Parties related to underpaid and unpaid statutory interest for payments on Oklahoma oil and gas production made during the Claim Period. This release includes claims asserted in the Litigation, or that could have been asserted in the Litigation, for failure to pay interest on payments made outside the time periods set forth in the Production Revenue Standards Act or applicable contracts, including prior period adjustments (PPAs).
- b. **“Released Parties”** means Defendant as well as its respective parent companies, subsidiaries, affiliates, former or present officers, directors, members, employees, agents, attorneys, board members, successors, assigns, and consultants.
- c. **“Releasing Parties”** means Plaintiffs and all Settlement Class members who do not timely and properly opt-out or submit a request for exclusion from the settlement, and who are not otherwise excluded from the Settlement Class by order of the Court.
- d. **“Claim Period”** means May 31, 2015 through November 30, 2022.

5. At the Final Fairness Hearing on September 18, 2023, the Court fulfilled its duties to independently evaluate the fairness, reasonableness, and adequacy of, *inter alia*, the Settlement and the Notice of Settlement provided to the Settlement Class, considering not only the pleadings and arguments of Class Representatives and Defendant and their respective counsel, but also the concerns of any objectors and the interests of all absent Class Members. In so doing, the Court considered arguments that could reasonably be made against, *inter alia*, approving the Settlement and the Notice of Settlement, even if such argument was not actually presented to the Court by pleading or oral argument.

6. The Court further finds that due and proper notice, by means of the Notice, Summary Notice, and Long Form Notice, was given to the Settlement Class in conformity with the Settlement Agreement and *Preliminary Approval Order*. The form, content, and method of

communicating the Notice mailed to the Settlement Class, the published Summary Notice, and the Long Form Notice, which was posted on the internet website, all pursuant to the Settlement Agreement and *Preliminary Approval Order*: (a) constituted the best practicable notice under the circumstances; (b) constituted notice reasonably calculated, under the circumstances, to apprise Class Members of the pendency of the Litigation, the Settlement, their right to exclude themselves from the Settlement, their right to object to the Settlement or any part thereof, and their right to appear at the Final Fairness Hearing; (c) was reasonable and constituted due, adequate, and sufficient notice to all persons and entities entitled to such notice; and (d) met all applicable requirements of the Oklahoma Rules of Civil Procedure, the Due Process Clause of the United States Constitution, the Due Process protections of the State of Oklahoma, and any other applicable law. Therefore, the Court approves the form, manner, and content of the Notice, Summary Notice, and Long Form Notice used by the Parties. The Court further finds that all Class Members have been afforded a reasonable opportunity to request exclusion from the Settlement Class or object to the Litigation and Settlement.

7. The Court hereby affirms its determinations in the *Preliminary Approval Order* certifying, for the purposes of the Settlement only, the Litigation as a class action pursuant to Okla. Stat. tit. 12 § 2023, including that: the members of the Settlement Class are so numerous that joinder of all Class Members in the class action is impracticable; there are questions of law and fact common to the Settlement Class that predominate over any individual questions; the claims of the Class Representatives are typical of the claims of the Settlement Class; Class Representatives and Plaintiffs' Counsel have fairly and adequately represented and protected the interests of the Class Members; and, after considering the interests of the Class Members in individually controlling the prosecution of separate actions, the extent and nature of litigation

already commenced by members of the Settlement Class, the desirability or undesirability of continuing the litigation of these claims in this forum, and the difficulties likely to be encountered in the management of a class action – a class action is superior to other available methods for the fair and efficient adjudication of the controversy. Pursuant to and in accordance with Okla. Stat. tit. 12 § 2023, the Settlement, including, without limitation, the consideration paid by Defendant, the covenants not to sue, the releases, and the dismissal with prejudice of the Released Claims against the Released Parties as set forth in the Settlement Agreement, is finally approved as fair, reasonable, and adequate and in the best interests of the Settlement Class. The Settlement Agreement was entered into between the Parties at arm's-length and in good faith after substantial negotiations and mediation, and was free of collusion. The Settlement fairly reflects the complexity of the Claims, the duration of the Litigation, the extent of discovery, and the balance between the benefits the Settlement provides to the Settlement Class and the risk, cost, and uncertainty associated with further litigation and trial. Serious questions of law and fact remain contested between experienced counsel and parties alert to defend their interests. The Settlement provides a means of gaining immediate valuable and reasonable compensation and forecloses the prospect of uncertain results after many more months or years of additional discovery and litigation. The considered judgment of the Parties, aided by experienced legal counsel, supports the Settlement. The Parties and Settlement Administrator are hereby authorized and directed to comply with and to cause the consummation of the Settlement in accordance with the Settlement Agreement, and the Clerk of this Court is directed to enter and docket this Judgment in the Litigation.

8. By agreeing to settle the Litigation, Defendant does not admit, and instead specifically denies, that the Litigation could have otherwise been properly maintained as a

contested class action (as opposed to a settlement class), and specifically denies any and all wrongdoing and liability to the Settlement Class, Class Representatives, and Class Counsel.

9. The Litigation, the Petition, and the Amended Petition and all claims included therein, as well as all Released Claims, are dismissed with prejudice as to the Released Parties. The Court orders that, upon the Effective Date, the Settlement Agreement shall be the exclusive remedy for any and all Released Claims of Participating Class Members. The Court finds that Defendant has also released certain claims (as described in Paragraph 4.2 of the Settlement Agreement) against Plaintiffs and Participating Class Members and, in accordance with the terms of the Settlement Agreement, Defendant is hereby enjoined from asserting or prosecuting such released claims against such persons and entities. The Releasing Parties are hereby deemed to have finally, fully, and forever conclusively released, relinquished, and discharged all of the Released Claims against the Released Parties to the fullest extent permitted by law. The Court thus hereby permanently bars and enjoins the Releasing Parties, and each of them (regardless of whether or not any such person or party shares in the Net Settlement Fund), and all persons acting on their behalf from, directly or indirectly, or through others, suing, instigating, instituting, pursuing or asserting against the Released Parties any claims or actions on or concerning the Released Claims. The Released Parties are discharged and/or released from all claims for contribution that have been or may be brought by or on behalf of any persons relating to the Settlement of the Released Claims. The releases and prohibitions of this paragraph apply equally to any claim that relates to the subject matter of the Released Claims except as expressly excluded therefrom. The Court's approval of the Settlement and entry of judgment herein shall have the effect of barring each of the Releasing Parties from asserting any claim from which that party would be barred by a judgment resolving the certified claims herein had such claims been brought by such party individually. Neither Party

will bear the other Party's litigation costs, costs of court, or attorneys' fees. The Court orders that the Residual Unclaimed Funds will be paid pursuant to the procedures and limitations and at the time specified in the Settlement Agreement. If it has not already occurred, the Settlement Administrator is directed to refund to Defendant the amount attributable to Opt-Outs in accordance with paragraph 6.6 of the Settlement Agreement and Supplemental Agreement 1, if applicable.

10. The Court also approves the efforts and activities of the Settlement Administrator, JND Legal Administration, in assisting with certain aspects of the administration of the Settlement and directs it to continue to assist Class Representatives in completing the administration and distribution of the Settlement in accordance with the Settlement Agreement, this Judgment, any Plan of Allocation approved by the Court, and the Court's other orders.

11. Nothing in this Judgment shall bar any action or claim by Class Representatives or Defendant to enforce or effectuate the terms of the Settlement Agreement or this Judgment.

12. This Judgment, the Settlement, and the Settlement Agreement—including any provisions contained in or exhibits attached to the Settlement Agreement; any negotiations, statements, or proceedings in connection therewith; or any action undertaken pursuant thereto—shall not be used for any purpose or be admissible in any action or proceeding for any reason, other than an action to enforce the terms of this Judgment or the Settlement (including, but not limited to defending or bringing an action based on the release provided for herein). The Judgment, the Settlement, and the Settlement Agreement are not and shall not be deemed, described, or construed to be or offered or received as evidence of a presumption, concession, declaration, or admission by any person or entity of the truth of any allegation made in the Litigation; the validity or invalidity of any claim or defense that was, could have been, or might be asserted in the Litigation; the amount of damages, if any, that would have been recoverable in the Litigation; any liability,

negligence, fault, or wrongdoing of any person or entity in the Litigation; or whether any other lawsuit should be certified as a class action pursuant to 12 OKLA. STAT. § 2023.

13. As separately set forth in detail in the Court's Plan of Allocation Order(s), the Allocation Methodology, the Plan of Allocation, and distribution of the Net Settlement Fund among Participating Class Members are approved as fair, reasonable, and adequate, and Class Counsel and the Settlement Administrator are directed to administer the Settlement in accordance with the Plan of Allocation Order(s) entered by the Court.

14. The Court finds that Class Representatives, Defendant, and their Counsel have complied with the requirements of the Oklahoma Rules of Civil Procedure as to all proceedings and filings in this Litigation. The Court further finds that Class Representatives and Class Counsel adequately represented the Settlement Class in entering into and implementing the Settlement.

15. Neither Defendant nor Defendant's Counsel has any liability or responsibility to Plaintiffs, Plaintiffs' Counsel, or the Settlement Class with respect to the Gross Settlement Fund or its administration, including but not limited to any distributions made by the Escrow Agent or Settlement Administrator. Except as described in paragraph 6.20 of the Settlement Agreement, no Class Member shall have any claim against Class Counsel, the Settlement Administrator, the Escrow Agent, or any of their respective designees or agents based on the distributions made substantially in accordance with the Settlement Agreement, the Court's Plan of Allocation Order(s), or other orders of the Court.

16. Any Class Member who receives a Distribution Check that he/she/it is not legally entitled to receive is hereby ordered to either (a) pay the appropriate portion(s) of the Distribution Check to the person(s) legally entitled to receive such portion(s) or (b) return the Distribution Check uncashed to the Settlement Administrator.

17. All matters regarding the administration of the Settlement Account and the taxation of funds in the Settlement Account or distributed from the Settlement Account shall be handled in accordance with Section 5 of the Settlement Agreement.

18. Any order approving or modifying any Plan of Allocation Order, the application by Class Counsel for an award of Plaintiffs' Attorneys' Fees or reimbursement of Litigation Expenses, or the request of Class Representatives for a Case Contribution Award shall be handled in accordance with the Settlement Agreement and the documents referenced therein (to the extent the Settlement Agreement and documents referenced therein address such an order).

19. Plaintiffs' Counsel, Plaintiffs, Released Parties, Defendant's Counsel, Defendant, and the Settlement Class will only be liable for loss of any portion of the Settlement Account as described in paragraph 6.20 of the Settlement Agreement.

20. Without affecting the finality of this Judgment in any way, the Court (along with any appellate court with power to review the Court's orders and rulings in the Litigation) reserves exclusive and continuing jurisdiction over the Litigation, Class Representatives, the Settlement Class and Class Members, Defendant, and the other Released Parties for the purposes of: (a) supervising and/or determining the fairness and reasonableness of the implementation, enforcement, construction, and interpretation of the Settlement, the Settlement Agreement, any Plan of Allocation Order(s) entered by the Court, and this Judgment; (b) hearing and determining any application by Plaintiffs and/or Class Counsel for an award of Plaintiffs' Attorneys' Fees, and Litigation Expenses and/or a Case Contribution Award for Class Representatives, if such determinations were not made at the Final Fairness Hearing; (c) supervising the distribution of funds from the Escrow Account; (d) resolving any dispute regarding a Party's right to terminate the Settlement pursuant to the Settlement Agreement; (e) enforcing the terms of the Settlement,

including the entry of injunctive or other relief to enforce, implement, administer, construe and interpret the Settlement Agreement; and (f) exercising jurisdiction over any challenge to the Settlement on any basis whatsoever.

21. In the event the Settlement is terminated as the result of a successful appeal of this Judgment or does not become Final and Non-Appealable in accordance with the terms of the Settlement Agreement for any reason whatsoever, then this Judgment and all orders previously entered in connection with the Settlement shall be rendered null and void and shall be vacated to the extent provided by and in accordance with the Settlement Agreement. The provisions of the Settlement Agreement relating to termination of the Settlement Agreement shall be complied with.

22. The claims asserted by Class Representatives in this Litigation and all Released Claims of the Participating Class Members are hereby **DISMISSED WITH PREJUDICE** to the refiling of the same or any portion thereof against the Released Parties, or any of them. The Court retains jurisdiction pursuant to paragraph 20 above to administer the Settlement distribution process as contemplated in the Court's separate Plan of Allocation Order(s), to administer other aspects of the Settlement as described in the Settlement Agreement, and to issue additional orders pertaining to, *inter alia*, Class Counsel's request for Plaintiffs' Attorneys' Fees and reimbursement of reasonable Litigation Expenses and Class Representatives' request for a Case Contribution Award. Notwithstanding the Court's jurisdiction to issue additional orders in this Litigation, this Judgment fully disposes of all claims as to Defendant and is therefore a final appealable judgment. Regardless, there is no just reason to delay the finality of the Judgment. The Court further hereby expressly directs the Clerk of the Court to file this Judgment as a final order and final judgment in this Litigation.

23. [IF OBJECTION(S) ARE MADE – ADDITIONAL LANGUAGE TO BE DETERMINED BASED ON OBJECTION(S)]

IT IS SO ORDERED.

Dated this __ day of _____, 2023.

ALLISON LAFFERTY
ASSOCIATE DISTRICT COURT JUDGE

APPROVED AS TO FORM

CLASS COUNSEL:

/s/ Drew Pate

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-and-

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Exhibit 2

Initial Plan of Allocation Order

**IN THE DISTRICT COURT OF BLAINE COUNTY
STATE OF OKLAHOMA**

DDL OIL & GAS, LLC)	
and DUSTIN M. FREEMAN,)	
)	
Plaintiffs,)	
)	
v.)	Case No. CJ-2019-17
)	
DIVERSIFIED PRODUCTION, LLC)	
successor by merger with)	
TAPSTONE ENERGY, LLC,)	
)	
Defendant.)	

INITIAL PLAN OF ALLOCATION ORDER

Having held a Final Fairness Hearing in this Action on September 18, 2023, in which the Court fulfilled its duties to consider objections and independently evaluate the fairness, reasonableness, and adequacy of the Settlement, and having thereafter finally approved the Settlement, the Court now enters this Initial Plan of Allocation Order to instruct the Parties and the Settlement Administrator on the manner in which the Net Settlement Fund shall be allocated and distributed to Class Members.¹ The Court finds, orders, and adjudges that the methodology set forth below (the “Allocation Methodology”) is fair, reasonable, and adequate and in the best interest of the Settlement Class. Accordingly, the Court hereby orders that, once the Judgment becomes Final and Non-Appealable, the Parties and the Settlement Administrator are to promptly carry out the terms of this Order and distribute the Net Settlement Fund as follows:

¹ All capitalized terms not otherwise defined in this Order shall have the same meanings ascribed to them in the Stipulation and Agreement of Settlement (the “Settlement Agreement”).

1. Subject to the jurisdiction of the Court, the Settlement Administrator shall administer the Settlement under Class Counsel's supervision in accordance with this Initial Plan of Allocation Order and the Settlement Agreement. The Net Settlement Fund shall be distributed to Participating Class Members according to this Order, the Final Plan of Allocation, as determined by Plaintiffs' Counsel, or according to such other plan of allocation and distribution order(s) as the Court approves. The Court reserves the right to modify this Initial Plan of Allocation Order upon application of any Party hereto, without further notice to any Class Members who have not entered an appearance herein. The allocation of the Net Settlement Fund among Class Members and the Allocation Methodology is a matter separate and apart from the proposed Settlement between Plaintiffs and Defendant, and any decision by the Court concerning allocation and distribution of the Net Settlement Fund among Class Members shall not affect the validity or finality of the Settlement or operate to terminate or cancel this Settlement.

2. Within 60 days after the date the Judgment becomes Final and Non-Appealable, Plaintiffs will file and seek approval of a Final Plan of Allocation. The Final Plan of Allocation will indicate the proportionate amount of the Net Settlement Fund to be paid to each Participating Class Member pursuant to the Allocation Methodology and the Initial Plan of Allocation.

3. Plaintiffs' Counsel shall, subject to Court approval, allocate the Net Settlement Fund to individual Participating Class Members proportionately based on the amount of statutory interest allegedly owed on the original underlying payment that allegedly occurred outside the time periods required by the PRSA, with due regard for the production date, the date the underlying payment was made, the amount of the underlying payment, the time periods set forth in the PRSA, any additional statutory interest that Plaintiffs' Counsel believes has since accrued, and the amount

of interest or returns that have accrued on the Participating Class Member's proportionate share of the Net Settlement Fund during the time such share was held in the Escrow Account.

4. The preliminary allocation of the Net Settlement Fund among Class Members is shown in the Affidavit of Barbara A. Ley and exhibits thereto, attached to Class Representatives' Memorandum of Law in Support of Class Representatives' Motion for Final Approval and is approved by this Court. It is understood that this preliminary allocation will be updated when all opt-outs and excluded owners are known and identified. Thereafter, Plaintiffs and Class Counsel, with the aid of the Settlement Administrator, will allocate the Net Settlement Fund proportionately among all Class Members as set forth in an updated allocation schedule.

5. Included with each Distribution Check shall be an enclosure that includes the following notice (or, if a change is required by the Court, a notice substantially the same as the following):

Class Member: The enclosed check represents a share of the net settlement fund in the settlement of the Class Action *DDL Oil & Gas, LLC et al. v. Diversified Production, LLC, successor by merger with Tapstone Energy, LLC*, Case No. CJ-2019-17, District Court of Blaine County in the State of Oklahoma. You are receiving this distribution and check because you have been identified as a Class Member in this action. If you are not legally entitled to the proceeds identified on the check, the Court has entered an Order that requires you to pay these proceeds to persons legally entitled thereto or return this check uncashed to the sender.

The person to whom this check was originally made payable, and anyone to whom the check has been assigned by that person, has accepted this payment pursuant to the terms of the Settlement Agreement, Notice of Settlement, and Judgment related thereto, which releases, *inter alia*, Defendant and the other Released Parties (as defined in the Settlement Agreement) from any and all Released Claims (as defined in the Settlement Agreement). Pursuant to the Order of the Court, it is the duty of the payee of the check to ensure that the funds are paid to the Class Member(s) entitled to the funds, and the release by Class Member(s) entitled to the funds shall be effective regardless of whether such Class Member(s) receive some, all, or none of the proceeds paid to a payee of a settlement check.

This check shall be null and void if not endorsed and negotiated within ninety (90) days after its date. The release of claims provided in the settlement shall be effective regardless of whether this check is cashed.

6. The Settlement Administrator will make a diligent effort to mail the first Distribution Checks within 90 days after the Effective Date and, within the subsequent 90 days, will mail the Distribution Checks representing the remaining 95% of the Net Settlement Fund (such percentage to be calculated based upon the amount of payments shown in the Final Plan of Allocation). The remainder of the Net Settlement Fund will be distributed to Participating Class Members by the Settlement Administrator as quickly as possible, using commercially reasonable efforts. Any portion of the Net Settlement Fund remaining in the Escrow Account 120 days after the Settlement Administrator sends the final wave of Distribution Checks will be considered Residual Unclaimed Funds that will be distributed in accordance with the Settlement Agreement. No distributions will be made to Class Members who would otherwise receive a distribution of less than \$10.00 under the Initial Plan of Allocation. This *de minimis* threshold is set in order to preserve the overall Net Settlement Fund from the costs of claims that are likely to exceed the value of those claims.

7. The Settlement Administrator will use commercially reasonable efforts, subject to review and approval by Plaintiffs' Counsel, to distribute the Net Settlement Fund. To the extent Defendant has not provided the taxpayer identification number for a Class Member, the Settlement Administrator shall make reasonable efforts to obtain the Class Member's tax identification number, including making reasonable inquiry and sending a form W-9 Request for Taxpayer Identification Number and Certification to the best reasonably obtainable address of the Class Member. If the information needed to send a Distribution Check cannot be obtained through such efforts, the portion of the Net Settlement Fund attributable to such Class Member will remain in the Escrow Account as Residual Unclaimed Funds; provided, however, that for any Class Member for whom Defendant has sent allegedly Untimely Payments to a state unclaimed property fund,

the Settlement Administrator will send the Distribution Check to that same state unclaimed property fund if the Settlement Administrator is unable to locate the Class Member through reasonable efforts, and such funds shall not be included in the Residual Unclaimed Funds refunded to Defendant.

8. If a Distribution Check is returned to the Settlement Administrator for incorrect or insufficient address, the Settlement Administrator and/or consultants working with the Settlement Administrator will use commercially reasonable methods to locate an updated address and will re-issue and re-mail the Distribution Check within 30 days. If the second Distribution Check is returned and the Class Member cannot be located through commercially reasonable efforts, the portion of the Net Settlement Fund attributable to that Class Member will remain in the Escrow Account for 90 days after the date the Second Distribution Check was returned and, thereafter, will be considered Residual Unclaimed Funds, unless Defendant previously had sent the allegedly Untimely Payments to a state unclaimed property fund, in which case the Settlement Administrator shall send the Distribution Check to that same state unclaimed property fund, as provided in Section 6.11 of the Settlement Agreement.

9. The Settlement Administrator will only make distributions based on the Final Plan of Allocation approved by the Court. It is contemplated that distributions may be made in waves, where using that approach is more efficient for the Settlement Administrator, so that payments to readily identified owners are not unduly delayed.

10. Defendant, Defendant's Counsel, Released Parties, the Settlement Administrator, Plaintiffs, and Plaintiffs' Counsel shall have no liability to any Class Member for mispayments, overpayments, or underpayments of the Net Settlement Fund.

11. If any Class Member has been paid any portion of the Net Settlement Fund for any period of time for which that Class Member was not entitled to receive that payment, and some other person or entity who owned or claims they owned the right to assert the Released Claims asserts a claim against any of the Released Parties for payment of all or a portion of the Net Settlement Fund or any other Released Claim, then the Class Member who received an excess share shall be liable for any overpayment amount to the person who is determined to have been properly owed that amount, and that Class Member shall indemnify, defend, and hold harmless any of the Released Parties, Plaintiffs' Counsel, Defendant's Counsel, or any other Class Member.

12. Upon completing all distributions of the Net Settlement Fund to Participating Class Members, complying with the Court's order(s) in furtherance of this Settlement, the Settlement Administrator will have satisfied all obligations relating to the payment and distribution of the Net Settlement Fund.

13. Within one year after the Settlement Administrator sends the final wave of Distribution Checks, the Settlement Administrator shall send a reconciliation of the amount remaining in the Escrow Account to Defendant's Counsel and Plaintiffs' Counsel. The reconciliation must include (a) a detail of each distribution or refund made from the Escrow Account; (b) the detail of any interest or other returns earned on the Escrow Account; (c) the total Residual Unclaimed Funds and detail sufficient to verify that total; and (d) detail showing the total amount of the Administration, Notice, and Distribution Costs paid from the Escrow Account. The Settlement Administrator must pay the total amount remaining in the Escrow Account to Defendant no later than ten (10) business days after sending this reconciliation to Defendant's Counsel and Plaintiffs' Counsel.

14. The Court shall retain jurisdiction to determine any issues relating to the payment and distribution of the Net Settlement Fund, and any claims relating thereto shall be determined by the Court alone, and shall be limited to a determination of the claimant's entitlement to any portion of the Net Settlement Fund, and no consequential, punitive, or other damages; fees; interest; or costs shall be awarded in any proceeding regarding any such determination.

15. The Mutual Release, Dismissal, and Covenant Not to Sue shall be effective as provided in the Settlement Agreement, regardless of whether or not particular members of the Settlement Class did or did not receive payment from the Net Settlement Fund and regardless of whether or not any person or entity who received a Distribution Check was obligated pursuant to the Judgment to pay some or all of the distributed funds to another Class Member in fact made such payment to such other member of the Settlement Class. The failure of a person or entity who received a Distribution Check to make payment to another Class Member pursuant to the payment obligations of the Judgment shall not be a defense to enforcement of the release of the Released Claims against the Released Parties or the covenant not to sue, as to any Class Member.

16. Except in the case of willful and intentional malfeasance of a dishonest nature directly causing such loss, Plaintiffs' Counsel, Plaintiffs, Released Parties, Defendant's Counsel, Defendant, and the Settlement Class shall have no liability for loss of any portion of the Escrow Account under any circumstances and, in the event of such malfeasance, only the party whose malfeasance directly caused the loss has any liability for the portion of the Escrow Account lost.

17. The Court finds that all objections are overruled and hereby severed from this action for purposes of appeal.

IT IS SO ORDERED.

Dated this ___ day of _____, 2023.

ALLISON LAFFERTY
ASSOCIATE DISTRICT COURT JUDGE