

**IN THE UNITED STATES DISTRICT COURT FOR THE  
EASTERN DISTRICT OF OKLAHOMA**

Chuck Travis Cowan, on behalf of himself and  
all others similarly situated,

Plaintiff,

v.

Civil Action No. 22-CV- \_\_\_\_ - \_\_\_\_

Devon Energy Corporation; and Devon Energy  
Production Company, L.P.,

Defendants.

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**STIPULATION AND AGREEMENT OF SETTLEMENT**

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This Stipulation and Agreement of Settlement (hereinafter, including all exhibits attached hereto and/or provided for herein referred to collectively as the “Settlement Agreement”) is entered into between Chuck Travis Cowan, on behalf of himself and all others similarly situated (“Plaintiff”), and Devon Energy Corporation and Devon Energy Production Company, L.P. (“Defendants”). Plaintiff and Defendants are collectively referred to as the “Parties.” The settlement contemplated by this Settlement Agreement is conditioned upon the terms and conditions set forth in this Settlement Agreement, including but not limited to the Court (1) approving this Settlement Agreement without material alteration; and (2) entering the orders and judgments upon which this Settlement Agreement is conditioned, as more fully described below:

**W I T N E S S E T H:**

WHEREAS, the above-styled action (the “Litigation”) was originally filed on October 7, 2016, with the filing of Plaintiff’s Original Class Action Petition against Defendants in the District Court of Pittsburg County, State of Oklahoma (the “Petition”);

WHEREAS, Defendants removed the Litigation to the United States District Court for the Eastern District of Oklahoma, under the Class Action Fairness Act of 2005, claiming diversity jurisdiction under 28 U.S.C. § 1332(d) and that the amount in controversy exceeded \$5,000,000.00, exclusive of interest and costs;

WHEREAS, the Litigation was remanded to the District Court of Pittsburg County, State of Oklahoma, on November 8, 2017;

WHEREAS, the Parties desire to resolve the Litigation and, for purposes of settlement proceedings only, re-file the Litigation in the United States District Court for the Eastern District of Oklahoma, as more fully described herein;

WHEREAS, Plaintiff has made certain claims against Defendants, as more fully described in the Petition and the Complaint (as defined hereafter);

WHEREAS, Plaintiff and Plaintiff's Counsel have prosecuted the Litigation for more than 5.5 years, which has included discovery of documents and data, motion practice, deposition practice, research, accounting review and analysis, consultation by and with experts, settlement negotiations among counsel, damage modeling, and other investigations and preparation;

WHEREAS, Plaintiff and Plaintiff's Counsel acknowledge that, during the course of their prosecution of the Litigation, they have received, examined, and analyzed information, documents, materials, and testimony they deem necessary and appropriate to enable them to enter into this Settlement Agreement on a fully-informed basis, and after such examination and analysis, and based on the experience of Plaintiff's Counsel and their experts and consultants, Plaintiff and Plaintiff's Counsel have concluded that the terms and conditions of this Settlement Agreement are fair, reasonable, adequate and in the best interests of the Settlement Class and Plaintiff;

WHEREAS, Plaintiff agreed to settle the claims asserted against Defendants in the Litigation pursuant to this Settlement Agreement after considering: (i) the substantial benefits Class Members will receive from resolution of such claims, (ii) the risks of litigating those claims, and (iii) the desirability of permitting the Settlement to be consummated as provided by the terms of this Settlement Agreement;

WHEREAS, Defendants agree that further prosecution and defense of the claims against them in this Litigation would be protracted and expensive, have taken into account the uncertainty and risks inherent in any such litigation, and have determined that it is desirable to compromise and settle the claims against them in the Litigation;

WHEREAS, Defendants have adamantly denied, and continue to deny, Plaintiff's claims against them, that it would be proper to certify the Litigation as a disputed class, and any and all liability to Plaintiff and the Settlement Class, and have vigorously defended against those claims; and

WHEREAS, Defendants enter into this Settlement Agreement without admitting any liability whatsoever or that it would be proper to certify the Litigation as a disputed class, and solely to avoid further expense, inconvenience, and the disruption of defending against the claims asserted against them in the Litigation and to be completely free of any further controversy with respect to the claims that were asserted or could have been asserted against them in the Litigation, as more fully described herein.

NOW THEREFORE, in consideration of the payments, mutual promises, agreements, undertakings, releases, and other terms and provisions of this Settlement Agreement, the sufficiency of which is hereby acknowledged by all parties hereto, Defendants and Plaintiff, on behalf of himself and the Settlement Class, stipulate and agree as follows, subject to the approval of the Court,

without admission of any liability or wrongdoing, and in consideration of the benefits set forth herein, that all Released Claims (defined below) shall be fully, finally and forever compromised, settled, released and discharged and the Released Claims shall be dismissed with prejudice, upon and subject to the following terms and conditions.

## 1. DEFINITIONS

As used throughout this Settlement Agreement, the Initial Plan of Allocation, and the Final Plan of Allocation, the following phrases and words will be given the meanings set forth below:

1.1. “**Administration, Notice, and Distribution Costs**” means the reasonable and necessary fees, costs and expenses charged by the Settlement Administrator (or any consultant retained by the Settlement Administrator) for fees, costs, and expenses generated or incurred in the administration, distribution, and notification of the Settlement, including: (a) fees, costs, and expenses of identifying the names, addresses and tax identification numbers of Class Members (to the extent not contained in the records provided by Defendants under paragraphs 3.3 and 3.4 below); (b) fees, costs, and expenses incurred to publish and mail the Notice of Settlement to the Settlement Class (such as the cost to print the Notices of Settlement, mail the Notices of Settlement, and publish the Notices of Settlement pursuant to the Plan of Notice); (c) fees, costs, and expenses to prepare, issue, and mail (and re-issue and remail, if necessary) the Distribution Checks to the Settlement Class; (d) fees, costs, and expenses to provide a reconciliation of the final amount of Residual Unclaimed Funds; (e) fees, costs, and expenses to calculate the amount each Class Member will receive under the Initial Plan of Allocation; and (f) fees, costs, and expenses to calculate the amount each Class Member who does not timely and properly submit a Request for Exclusion will receive under the Final Plan of Allocation. Administration, Notice, and Distribution Costs also includes the costs described in (a) through (f) above incurred by Plaintiff’s Counsel

and/or Plaintiff associated with experts, consultants or other personnel retained for purposes of administration, distribution, and notification.

1.2. “**Allocation Methodology**” means the methodology Plaintiff proposes to use to calculate the amount of the Net Settlement Fund to be sent to each Class Member.

1.3. “**Case Contribution Award**” means the award ordered by the Court, if any, to Plaintiff for the time, expense, and participation in this Litigation and in representing the Settlement Class.

1.4. “**Claim Period**” means the time period between and including October 1, 2011, through the expiration of one-hundred-twenty (120) days following execution of this Settlement Agreement.

1.5. “**Class Member**” is a person or entity belonging to the Settlement Class.

1.6. “**Court**” means the judge or any successor judge presiding over the Litigation in the United States District Court for the Eastern District of Oklahoma, or any successor judge presiding over the Litigation there. For purposes of effecting this Settlement Agreement only, the Parties agree to consent to a magistrate in the United States District Court for the Eastern District of Oklahoma and to submit the appropriate forms to effectuate that transfer.

1.7. “**Defendants**” means Devon Energy Corporation and Devon Energy Production Company, L.P.

1.8. “**Defendants’ Counsel**” means the law firms of: (a) K&L Gates, LLP (b) McAfee & Taft, a Professional Corporation, and (c) Steidley & Neal.

1.9. “**Distribution Check**” means a check payable to a Class Member who does not timely and properly submit a Request for Exclusion, or who is not otherwise excluded from the

Settlement Class by order of the Court, for the purpose of paying that Class Member's share of the Net Settlement Fund pursuant to the Allocation Methodology.

1.10. “**Effective Date**” means the first date by which all of the events and conditions specified in paragraph 9.4 below have occurred.

1.11. “**Escrow Account**” means an account maintained by the Escrow Agent.

1.12. “**Escrow Agent**” means the escrow agent appointed and approved by the Court. The Parties have agreed to propose MidFirst Bank as Escrow Agent to the Court.

1.13. “**Escrow Agreement**” means the agreement(s) between Plaintiff’s Counsel (on behalf of Plaintiff and the Settlement Class), Defendants, and the Escrow Agent setting forth the terms under which the Escrow Agent shall maintain the Escrow Account in accordance with this Settlement Agreement. The Escrow Agreement shall be in the form agreed to by the Parties.

1.14. “**Final and Non-Appealable**” means:

a) The expiration of the time for filing a motion to extend the deadline for filing a notice of appeal if (i) no appeal is taken from the Judgment and (ii) no original action is filed in any court challenging or seeking reconsideration, modification, or vacation of the Judgment, or otherwise seeking to interfere with or evade provisions of this Settlement Agreement;

b) If an appeal is taken from the Judgment and either the Judgment appealed is affirmed in full or the appeal is dismissed, the earlier of the following, whichever applies: (i) the expiration of the time for filing a petition for writ of certiorari, if no petition is filed; (ii) the expiration of the time for rehearing of the denial or dismissal of such a petition for writ of certiorari; or (iii) the expiration of the time for seeking rehearing of the Supreme Court’s affirmance of such affirmance or dismissal; or

c) If any original action described in paragraph 1.14(a) is filed and that action results in a final order or judgment by the court in which it was commenced that does not alter the Judgment, the date on which that order or judgment has itself become final is no longer subject to further review in any court and the conditions of subparagraphs (a) or (b), as applicable, are satisfied with respect to such final order or judgment.

1.15. “**Final Fairness Hearing**” means the hearing set by the Court under Federal Rule of Civil Procedure 23(e)(2) to consider final approval of the Settlement.

1.16. “**Final Plan of Allocation**” means the final calculation of the Distribution Check that will be sent to each Class Member who has not timely and properly submitted a Request for Exclusion or otherwise been excluded from the Settlement Class by order of the Court.

1.17. “**Future Benefits**” means the future benefits provided by Defendants, which are set forth in paragraph 2.4 below.

1.18. “**Gross Settlement Fund**” means the total cash amount of Twenty-Five Million Dollars (\$25,000,000.00) to be paid by Defendants. In no event shall Defendants be required to pay more than the amount of the Gross Settlement Fund.

1.19. “**Gross Settlement Value**” means (1) the Gross Settlement Fund, and (2) the Future Benefits.

1.20. “**Initial Plan of Allocation**” means the Plan of Allocation using the Allocation Methodology as applied to (i) the Settlement Class before any Class Members are excluded from the Settlement by timely and properly submitting Requests for Exclusion or other order of the Court and (ii) the estimated Net Settlement Fund, assuming (a) no Class Members file Requests for Exclusion (or are otherwise excluded from the Settlement Class by the Court) and (b) the Court

approves the amount of Plaintiff's Attorneys' Fees, Litigation Expenses, and Administration, Notice, and Distribution Costs requested by Plaintiff's Counsel and the Case Contribution Award requested by Plaintiff.

1.21. "**Judgment**" means the Order Approving Class Action Settlement and Judgment finally approving the Settlement between the Settlement Class and Defendants, which shall include provisions substantially the same as those set forth in paragraph 3.7 below and be in substantially the same form as Exhibit 2.

1.22. "**Litigation**" is separately defined on page 1 of this Settlement Agreement.

1.23. "**Litigation Expenses**" means the reasonable costs and expenses incurred by Plaintiff's Counsel in commencing and prosecuting the Litigation.

1.24. "**Net Settlement Fund**" means the Gross Settlement Fund less: (a) any of Plaintiff's Attorneys' Fees and Litigation Expenses awarded by the Court; (b) any Case Contribution Award awarded by the Court; (c) any Administration, Notice, and Distribution Costs; (d) any other costs and expenses that the Court orders to be deducted from the Gross Settlement Fund; and (e) the amount of money under the Allocation Methodology attributable to Class Members who timely and properly submitted Requests for Exclusion or who were otherwise excluded from the Settlement Class by order of the Court.

1.25. "**Notice of Settlement**" means the notice in substantially the same form as Exhibits 3 and 4, which will be mailed or posted on the website in accordance with the Plan of Notice as described in Section 3 below, and the notice in substantially the same form as Exhibit 5 attached hereto, which will be published in accordance with the Plan of Notice as described in Section 3 below.

1.26. "**Parties**" is separately defined on page 1 of this Settlement Agreement.



1.27. “**Plaintiff**” is separately defined on page 1 of this Settlement Agreement.

1.28. “**Plaintiff’s Attorneys’ Fees**” means the fees awarded by the Court to Plaintiff’s Counsel with respect to their work on the Litigation.

1.29. “**Plaintiff’s Counsel**” means Reagan E. Bradford and Ryan K. Wilson of Bradford & Wilson PLLC (“Co-Lead Class Counsel”) and Tim Maxcey of the Stipe Law Firm (“Plaintiff’s Local Counsel”).

1.30. “**Plan of Notice**” means the process described in paragraph 3.5 below for sending and publishing the Notice of Settlement.

1.31. “**Preliminary Approval Order**” means the order in substantially the form attached hereto as Exhibit 1 to be entered by the Court preliminarily approving the Settlement, certifying the class for settlement purposes only, and directing that Notice of Settlement be provided to the Settlement Class as set forth therein.

1.32. “**Released Claims**” means all claims under Oklahoma law that the Releasing Parties may have against the Released Parties related solely to underpaid or unpaid statutory interest on oil, gas, or natural gas liquids proceeds payments made by Defendants or remitted as unclaimed property by Defendants (or any person or entity making payments on behalf of Defendants) during the Claim Period that were allegedly late according to the time periods set forth in the Production Revenue Standards Act, OKLA. STAT. tit. 52, § 570.1, et seq. (the “PRSA”). Without limiting the foregoing, the Released Claims include any and all causes of action, choses in action, demands, debts, obligations, duties, liens, liabilities, attorneys’ fees, and theories of liability and recovery of whatsoever kind and nature, whether based in contract or tort, whether arising in equity or under the common law, whether by statute or regulation, whether known or unknown, whether asserted by the Settlement Class in the past, present, or future, and whether contingent, prospective, or

matured, whether for actual or punitive damages relief, interest, injunctive relief, declaratory relief, equitable relief, or any other type of relief, that are, were, or could have been asserted in the Litigation and relate to underpaid or unpaid statutory interest on oil, gas or natural gas liquids proceeds payments made by Defendants or remitted as unclaimed property by Defendants (or any person or entity making payments on behalf of Defendants) during the Claim Period where such payments were allegedly late under the PRSA. The Released Claims specifically include claims that a Releasing Party could or may make with regard to: (1) any alleged failure to pay or delay in paying statutory interest on oil, gas or natural gas liquids proceeds payments that the Releasing Party asserts were made outside the time periods set forth in the PRSA; (2) any payment of statutory interest the Releasing Party contends was less than the amount of statutory interest due under the PRSA; (3) any requirement that a request from a payee be made prior to paying statutory interest under the PRSA (or any delay in paying statutory interest until a request was made); (4) any alleged misrepresentation and/or omission regarding the amount of statutory interest owed to a Class Member; and (5) any breach, or claim of breach, of the PRSA, actual fraud, constructive fraud, deceit, unjust enrichment/disgorgement, accounting, actual damages, punitive damages, and injunctive relief, insofar as any such claim arises from any underpaid or unpaid statutory interest on oil, gas or natural gas liquids proceeds payments made by Defendants or remitted as unclaimed property by Defendants (or any person or entity making payments on behalf of Defendants) where such payments were allegedly late under the PRSA.

The Released Claims shall not include: (1) any and all claims accruing before or after the Claim Period; (2) any and all claims against Defendants arising out of or related to underpaid or unpaid statutory interest for proceeds from Oklahoma oil-and-gas production held in suspense, i.e. not yet paid or issued by Defendants at or after the conclusion of the Claim Period; and (3) any

and all claims for the principal amount of proceeds for Oklahoma oil-and-gas production made or issued by Defendants or still held in suspense, including, but not limited to, the class action and individual claims asserted in *Grellner v. Devon Energy Corp., et al.*, No. CJ-2016-242 (Dist. Ct. Pittsburg Cty.).

1.33. “**Released Parties**” shall mean Defendants; their affiliated predecessors, successors, heirs, assignors, and assignees; any past and present parents, affiliates, and affiliated subsidiaries; and any directors, officers, employees, attorneys, agents, consultants, servants, stockholders, partners, members, representatives, subsidiaries, insurers, subsidiaries and affiliates of the foregoing persons or entities.

1.34. “**Releasing Parties**” means the Class Member; its predecessors, successors, heirs, assignors, and assignees; and any past and present affiliates, officers, employees, attorneys, agents, consultants, servants, stockholders, members, representatives, subsidiaries, and affiliates of such persons or entities. Releasing Parties includes all Class Members who do not timely and properly submit Requests for Exclusion and who are not otherwise excluded from the Settlement Class by order of the Court without regard to whether a member of the Settlement Class actually received a payment from the Net Settlement Fund and without regard to whether any payment received was correctly determined. All members of the Settlement Class who do not timely and properly submit Requests for Exclusion and who are not otherwise excluded from the Settlement Class by order of the Court and their heirs, successors, and assigns will be enjoined by the Court in the Judgment from filing or prosecuting Released Claims.

1.35. “**Request for Exclusion**” means any request for exclusion from the Settlement Class pursuant to Federal Rule of Civil Procedure 23 that meets the requirements set by the Court for exclusion.

1.36. “**Residual Unclaimed Funds**” means any portion of the Net Settlement Fund that has not been deposited, cashed, or otherwise claimed by a Class Member, including but not limited to: (a) the total amount of Distribution Checks sent to Class Members who later cannot be located by the Settlement Administrator or Plaintiff’s Counsel through reasonable efforts (as described in paragraph 6.10 below), along with any interest and returns that accrue on such amounts during the time they are in the Escrow Account, and which remain unused after final distributions and administrations have been made; and (b) the amount of Distribution Checks sent to Class Members that are voided because they are not cashed or deposited within the time specified on the Distribution Check, along with any interest and returns that accrue on such amounts during the time they are in the Escrow Account, and which remains unused after final distributions and administrations have been made.

1.37. “**Settlement**” means the Parties’ agreement to resolve the Litigation as described in this Settlement Agreement.

1.38. “**Settlement Administrator**” means the person or entity who is approved and appointed by the Court to administer the Settlement. The Parties have agreed to propose JND Class Action Administration as Settlement Administrator to the Court.

1.39. “**Settlement Class**” shall mean the below-described class that the Parties have agreed should be certified for settlement purposes only pursuant to the entry of the Preliminary Approval Order to be entered by the Court in the same or similar form attached hereto as Exhibit

1. The Settlement Class is to be specifically defined as follows:

All non-excluded persons or entities who, during the Claim Period: (1) (i) received payments from Defendants (or Defendants’ designee) for oil, gas, or natural gas liquids proceeds from Oklahoma wells or (ii) whose proceeds were remitted to unclaimed property divisions of any government entity by Defendants; and (2) whose payments or whose unclaimed property payments did not include statutory interest.

The “Settlement Class” includes owners of royalty interests, overriding royalty interests, and working interests.

Excluded from the Class are: (1) Defendants, their affiliates, predecessors, and employees, officers, and directors; (2) agencies, departments, or instrumentalities of the United States of America or the State of Oklahoma; (3) publicly traded oil-and-gas companies and their affiliates; (4) persons or entities that Plaintiff’s counsel may be prohibited from representing under Rule 1.7 of the Oklahoma Rules of Professional Conduct; (5) any Indian tribe as defined at 30 U.S.C. § 1702(4) or Indian allottee as defined at 30 U.S.C. § 1702(2); and (6) officers of the Court.

## **2. Consideration**

2.1. The Parties agree to settle the Litigation as set forth in this Settlement Agreement.

In exchange for Plaintiff’s releases, covenants, and agreements in the Settlement, both on his behalf and on behalf of the Class Members, Defendants agree to (i) pay the Gross Settlement Fund; and (ii) provide the Future Benefits.

2.2. Defendants shall pay or cause to be paid the Gross Settlement Fund into the Escrow Account within ten (10) days after the Court enters the Preliminary Approval Order. After the date on which Defendants pay the Gross Settlement Fund into the Escrow Account, neither Defendants nor Defendants’ Counsel have any further liability to Plaintiff, Plaintiff’s 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. If Defendants fail to pay the amount of the Gross Settlement Fund into the Escrow Account within the time specified above, beginning on the date on which the payment is due, such amount will accrue interest at the effective federal funds rate, as posted by the Federal Reserve Bank of New York on the first business day of the calendar year in which the payment is due.

2.3. The Parties agree that the Settlement of the Released Claims is supported by adequate consideration reflecting the cash sum of Twenty-Five Million Dollars (\$25,000,000.00) to

be paid by Defendants into the Gross Settlement Fund; the Future Benefits; and the Parties' agreements, releases, and covenants contained herein.

2.4. Defendants agree to provide the following Future Benefits: Commencing within one-hundred-twenty (120) days after the execution of this Settlement Agreement, Devon Energy Production Company, L.P. ("DEPCO") will implement procedures and policies reasonably calculated to accomplish the payment of statutory interest required by the PRSA to owners in Oklahoma without awaiting a demand for such statutory interest, and will maintain such procedures (or other policies and procedures reasonably calculated to accomplish the same result) unless or until there is a change in the law.

2.5. The Class Members who participate in the Settlement agree, in exchange for their respective shares of the Net Settlement Fund, Future Benefits and the performance of the other obligations and duties of Defendants as set forth herein, to give the Mutual Release, Dismissal and Covenant Not to Sue described in Section 4, below, and the other valuable consideration provided herein. Plaintiff will estimate the net present value of the Future Benefits to the Settlement Class in conjunction with the final approval motions. Defendants will not take any position regarding Plaintiff's estimated value of the Future Benefits submitted to the Court. Plaintiff, the Releasing Parties, and Defendants agree that, if the actual financial benefit described in the Future Benefits differs from the estimate provided by Plaintiff or Plaintiff's Counsel, there shall be no claim regarding that estimate against the Released Parties, Defendants' Counsel, any Class Member, Plaintiff's Counsel, Plaintiff, or any of their successors and assigns.

### **3. Plan of Notice and Court Approvals**

3.1. Upon execution of this Settlement Agreement, the Parties will jointly move the District Court of Pittsburg County to stay all proceedings and deadlines in *Cowan v. Devon Energy*

*Corp., et al.*, No. CJ-2016-232 (Dist. Ct. Pittsburg Cty.) (the “State Litigation”). No later than fourteen (14) days following execution of this Settlement Agreement, Plaintiff will initiate a new proceeding in the United States District Court for the Eastern District of Oklahoma (the “Federal Litigation”). The “Complaint” will be in the form attached hereto as Exhibit 6. No later than thirty (30) days from and after the date this Settlement Agreement is executed by the Parties, Plaintiff will file a motion with the Court seeking preliminary approval of the Settlement, which shall include the proposed Preliminary Approval Order, in the form attached hereto as Exhibit 1, which will, *inter alia*: (a) certify the Settlement Class for the purposes of this Settlement only; (b) preliminarily approve this Settlement Agreement; (c) approve of the Notice of Settlement and Plan of Notice; and (d) direct the Settlement Administrator to provide the Notice of Settlement to the Settlement Class in accordance with the Plan of Notice or in any other manner the Court may direct in accordance with Federal Rule of Civil Procedure 23. Within three (3) days after the Effective Date, and assuming the Effective Date occurs, Plaintiff will dismiss the State Litigation with prejudice to all Released Claims, ending the State Litigation.

3.2. Plaintiff will request that the Court enter the Preliminary Approval Order no later than sixty (60) days after the date the Parties execute this Settlement Agreement (unless the Court requires a later date).

3.3. Within five (5) days after entry of the Preliminary Approval Order, Defendants shall provide Plaintiff’s Counsel in electronic format the available payment history data for oil-and-gas proceeds payments made or issued by Defendants (including the amounts and production dates), including data for oil-and-gas proceeds from Oklahoma wells which were paid by Defendants to state entities as unclaimed or presumptively abandoned property, for Class Members for the Claim Period, including the names, last known addresses, and taxpayer identification numbers

for those persons or entities, to the extent Defendant's business records contain such information. Within fourteen (14) days following the end of the Claim Period, Defendants will, to the extent necessary, supplement this production of data for the entire Claim Period.

3.4. After the Preliminary Approval Order is entered and prior to sending the Notice of Settlement, the Settlement Administrator shall make reasonable efforts to: (a) verify the last known addresses of potential Class Members provided by Defendants pursuant to paragraphs 3.3 and 3.4 and (b) locate current addresses of any potential Class Members for whom Defendants have not provided an address.

3.5. No later than thirty (30) days after entry of the Preliminary Approval Order, or at such time as is ordered by the Court, the Settlement Administrator will mail (or cause to be mailed) the postcard Notice of Settlement by mail (Exhibit 3) to all Class Members who have been identified after reasonable efforts to do so and will post on the settlement website the Notice of Settlement (Exhibit 4). The postcard Notice of Settlement (Exhibit 3) will be mailed to Class Members using the data described in paragraphs 3.3 and 3.4 above and any updated addresses found by the Settlement Administrator. No later than ten (10) days after the Notice is mailed, or at such time as is ordered by the Court, the Settlement Administrator also shall publish (or cause to be published) the summary Notice of Settlement (Exhibit 5) one time in each of the following newspapers: (a) *The Oklahoman*, a paper of general circulation in Oklahoma; and (b) *The Tulsa World*, a paper of general circulation in Oklahoma. Within ten (10) days after mailing the postcard Notice of Settlement and continuing through the date of the Final Fairness Hearing, the Settlement Administrator also will display (or cause to be displayed) on an Internet website dedicated to this Settlement the following documents: (a) the Notice of Settlement (Exhibit 4), (b) the Complaint, (c) this Settle-



ment Agreement, (d) the Preliminary Approval Order; and (e) other publicly filed documents related to approval of the Settlement. Neither Defendants, Defendants' Counsel, Plaintiff, the Settlement Class, nor Plaintiff's Counsel shall have any liability for failure of the Notice of Settlement to reach any Class Member.

3.6. At its sole expense, Defendants shall issue the notice of settlement(s) contemplated by the Class Action Fairness Act of 2005 ("CAFA") within ten (10) days after Plaintiff files the Motion for Preliminary Approval. Any failure or delay by Defendants to timely issue any CAFA notice shall not be sufficient reason to delay or continue the Final Fairness Hearing. The Final Fairness Hearing shall be scheduled for a date that will allow for the notice requirement of CAFA to be satisfied.

3.7. No later than twenty-eight (28) calendar days prior to the Final Fairness Hearing, if the Settlement has not been terminated pursuant to this Settlement Agreement, Plaintiff's Counsel and Plaintiff shall move for: (a) final approval of the Settlement pursuant to Federal Rule of Civil Procedure 23(e); (b) entry of a Judgment in substantially the same form as Exhibit 2; (c) final approval of the Allocation Methodology and Initial Plan of Allocation; and (d) Plaintiff's Attorneys' Fees, reimbursement of Litigation Expenses and Administration, Notice, and Distribution Costs, and/or a Case Contribution Award. After Notice of Settlement is given in the manner directed by the Court, the Parties will request the Court to hold a Final Fairness Hearing as described in the Notice of Settlement, and to then enter Judgment specifically approving all terms and provisions of the Settlement, including the Allocation Methodology and Final Plan of Allocation; provided however that Defendants will take no position on the Allocation Methodology (or any Plan of Allocation implementing the Allocation Methodology). The Judgment shall include substantially the following provisions:

- a) Approve the Settlement between the Settlement Class and Defendants embodied in this Settlement Agreement, including any Allocation Methodology, as fair, reasonable and adequate to each Class Member within the meaning of Federal Rule of Civil Procedure 23;
- b) Dismiss the Released Claims with prejudice, but retain continuing jurisdiction to enter any orders necessary to enforce the terms of the Settlement Agreement, including the administration of the Settlement and/or entry of injunctive or other relief to enforce, implement, administer, construe and interpret the Settlement Agreement;
- c) Adjudge that the Class Members who participate in this settlement have conclusively released all the Released Claims that the Releasing Parties have against all Released Parties and likewise adjudge that Released Parties have released the claims described in paragraph 4.2 below;
- d) Bar and permanently enjoin all Class Members who have not timely and properly submitted a Request for Exclusion or are not excluded from the Settlement Class by order of the Court from prosecuting, commencing, or continuing any of the Released Claims against the Released Parties;
- e) Find that the Settlement is fair, reasonable and adequate and was entered into between Defendants and the Settlement Class in good faith and without collusion;
- f) Find that, by agreeing to settle the Released Claims, Defendants do not admit, and specifically deny, any and all liability to the Settlement Class, Plaintiff and Plaintiff's Counsel and that their claims could be properly certified as a disputed class;
- g) Find that the Notice has been given as required by law, that all statutory and constitutional requirements have been met, and further, that the Class Members have been afforded a reasonable opportunity to opt out of or object to the Litigation and Settlement;
- h) Order any Class Member who receives a Distribution Check that he/she/it is not legally entitled to receive to either (1) pay the appropriate portion(s) of the Distribution Check to the person(s) legally entitled to receive such portion(s) or (2) return the Distribution Check uncashed to the Settlement Administrator;
- i) Find and determine that there is no just reason to delay the finality of the Judgment and Order and expressly direct the filing of the Judgment as a Judgment and Order; and
- j) Order that the Settlement and the order certifying the Settlement Class may never be used for any purpose in any present or subsequent litigation against Defendants or any other Released Party other than to enforce the terms of this Settlement Agreement.

#### **4. Mutual Release, Dismissal, and Covenant Not to Sue**

4.1. Upon the Effective Date, the Released Parties, individually and collectively, shall be fully, finally and forever released from the Released Claims of the Class Members and other Releasing Parties who are not excluded from the Settlement Class by virtue of a timely and properly submitted Request for Exclusion or other Court order, and such Releasing Parties shall be enjoined from asserting or prosecuting any Released Claims against any Released Parties.

4.2. Upon the Effective Date, Defendants, on behalf of themselves and the Released Parties, individually and collectively: (a) shall be deemed by operation of law to have fully, finally and forever released, relinquished, waived, discharged and dismissed any and all claims against Plaintiff and the Settlement Class related to any payment or non-payment of statutory interest by Defendants prior to the Effective Date; (b) shall be enjoined from asserting or prosecuting any such claims against same; and (c) agree and covenant not to sue Plaintiff, Plaintiff's Counsel, or the Settlement Class for any and all claims related to any payment or non-payment of statutory interest by Defendants prior to the Effective Date. For the avoidance of doubt, Defendants and the Releasing Parties are not releasing any claims based upon the principal amounts of payments made to Class Members or claims based upon the Class Members' conduct.

4.3. Upon the Effective Date and for the consideration provided for herein, each and every Class Member who participates in the Settlement (i) agrees and covenants that, in addition to the foregoing release of the Released Claims, he/she/it shall not, at any time, directly or indirectly, on the Class Member's behalf or through others, sue, instigate, institute, or assert against the Released Parties any claims or actions on or concerning the Released Claims based in whole or in part on any facts existing during in the Claim Period and (ii) acknowledges that the foregoing covenant shall apply and have effect by virtue of this Settlement Agreement and by operation of

the Judgment. Each Class Member who participates in the Settlement and Plaintiff's Counsel further agree and acknowledge that the covenants not to sue provided for in this paragraph are made to inure to the benefit of, and are specifically enforceable by, each of the Released Parties.

4.4. The Judgment approving the Settlement Agreement shall dismiss the Released Claims asserted in the Litigation with prejudice. However, any continuing obligations under this Settlement Agreement shall survive the entry of the Judgment. The Court, along with any appellate court with power to review the Court's orders and rulings in the Litigation, will retain exclusive and continuing jurisdiction over this Litigation for purposes of administering this Settlement Agreement and any issues associated therewith.

## **5. Escrow Account and Payment of Taxes**

5.1. All funds held by the Escrow Agent shall be deemed to be in the custody of the Court and shall remain subject to the jurisdiction of the Court until such time as the funds shall be distributed or returned pursuant to the terms of this Settlement Agreement and/or further order of the Court. Unless otherwise agreed to in writing between Defendants and Plaintiff's Counsel, the Escrow Agent shall deposit the funds in an interest-bearing account. All risks related to the investment of the Gross Settlement Fund and any risk of loss of the fund deposited in the Escrow Account shall be borne by the Gross Settlement Fund alone and not by Plaintiff, Plaintiff's Counsel, Defendants, Defendants' Counsel, or the Settlement Administrator.

5.2. The Parties agree that the Gross Settlement Fund is intended to be a qualified settlement fund within the meaning of Treasury Regulation § 1.468B-1 and that the Settlement Administrator, as administrator of the Escrow Account within the meaning of Treasury Regulation § 1.468B-2(k)(3), shall be solely responsible for timely filing or causing to be filed all informational and other tax returns as may be necessary or appropriate (including, without limitation, the returns

described in Treasury Regulation § 1.468B-2(k)). All taxes on the income earned on the funds in the Escrow Account shall be paid out of the Escrow Account as provided herein and pursuant to the disbursement instructions set forth in the Escrow Agreement. The Settlement Administrator shall also be solely responsible for causing payment to be made from the Gross Settlement Fund of any taxes owed with respect to the Gross Settlement Fund. The Settlement Administrator, as administrator of the Gross Settlement Fund within the meaning of Treasury Regulation § 1.468B-2(k)(3), shall timely make such elections as are necessary or advisable to carry out this paragraph, including, as necessary, making a “relation back election,” as described in Treasury Regulation § 1.468B-1(j), to cause the qualified settlement fund to come into existence at the earliest allowable date, and shall take or cause to be taken all actions as may be necessary or appropriate in connection therewith.

5.3. Any tax returns prepared for the Gross Settlement Fund (as well as the election set forth therein) shall be consistent with the Settlement Agreement and in all events shall reflect that all taxes (including any interest or penalties) on the income earned by the Gross Settlement Fund shall be paid out of the Gross Settlement Fund as provided herein. The Gross Settlement Fund shall indemnify and hold all Released Parties, Defendants, Defendants’ Counsel, Plaintiff, and Plaintiff’s Counsel harmless for any taxes and related expenses of any kind whatsoever (including without limitation, taxes payable by reason of any such indemnification) on income earned while the Gross Settlement Fund (or any portion thereof) is in the Escrow Account. The Parties shall notify the Escrow Agent promptly if they receive any notice of any claim for taxes relating to the Gross Settlement Fund.

5.4. All income taxes, if any, incurred on the part of the Class Members in connection with the implementation of this Settlement Agreement shall be reported and paid by the individual

Class Members to the extent of their individual tax liability on proceeds they individually receive. Except for any amounts withheld for tax purposes by the Settlement Administrator, the individual Class Members are solely responsible for the payment of any taxes attributable to payments to them under this Settlement Agreement. Plaintiff, Plaintiff's Counsel, Defendants, Defendants' Counsel, the Gross Settlement Fund, and the Settlement Administrator shall have no responsibility or liability whatsoever for any such taxes. Defendants, Defendants' Counsel, and the Class Members will bear no responsibility for any taxes due on Plaintiff's Attorney's Fees, any reimbursement of Litigation Expenses or Administration, Notice, and Distribution Costs, or any Case Contribution Award and such taxes will not be paid from the Escrow Account.

5.5. All distributions shall be subject to any required federal or state income tax withholding, which the Settlement Administrator shall be entitled to withhold and pay to the appropriate taxing authorities. The Settlement Administrator shall provide IRS Form 1099s or other explanations of payments to Class Members sufficient to allow Class Members to know that proper tax payments have been or can be made or to allow them to submit requests for refunds. In the event Distribution Checks are not cashed or are returned to the Settlement Administrator, such that the Class Members do not receive payment of the amounts distributed, the Settlement Administrator shall make reasonable efforts to identify a correct address for such Class Members and shall request a refund to the taxing authority to whom any withheld taxes were paid on behalf of the Class Member who did not receive payment. The Parties and their Counsel shall have no liability for any filed IRS Form 1099s. The Gross Settlement Fund shall indemnify and hold all Released Parties, Defendants, Defendants' Counsel, Plaintiff, and Plaintiff's Counsel harmless for any penalties and related expenses of any kind whatsoever associated with any filed IRS Form 1099s. The Parties

shall notify the Escrow Agent promptly if they receive any notice of any claim for penalties relating to a filed IRS Form 1099.

5.6. To the extent an appropriate taxing authority determines that any severance or other taxes or assessments, including applicable interest or penalties, may be due and payable by the Class Members on all or any portion of the Gross Settlement Fund and provides notice of such determination to the Parties or the Settlement Administrator, then the Settlement Administrator shall give written notice to the Class Members of such assessment, determination, or other inquiry by the taxing authority, as soon as reasonably practicable, so that the Class Members may have the opportunity to contest such an assessment. The Parties agree that Defendants, Defendants' Counsel, and Plaintiff's Counsel have no responsibility or liability for any severance taxes or other taxes that may be due on the amounts disbursed to the Class Members from the Escrow Account.

5.7. In the event Defendants are required to pay any taxes or assessments attributable to the Class Members, including any applicable interest or penalties, each Class Member will indemnify Defendants as to the taxes, assessments, interest, and penalties attributable to such Class Member paid by Defendants. Without limitation of the foregoing, Defendants shall be entitled to recover from each Class Member that portion of such taxes or assessments, interest, and penalties attributable to the portion of the Net Settlement Fund allocated to such Class Member by any lawful means available to Defendants, including deduction or offset from any future payments to the Class Member. Defendants' Counsel shall not have any responsibility or liability whatsoever for any taxes or assessments, interest, or penalties on amounts distributed to a Class Member. Plaintiff and Plaintiff's Counsel shall not have any responsibility or liability whatsoever for any taxes or assessments, interest, or penalties on amounts distributed to another Class Member.

5.8. Plaintiff, Plaintiff's Counsel, Defendants, Defendants' Counsel, and the Settlement Administrator do not provide any tax advice whatsoever and shall have no liability whatsoever for any taxes or assessments due, if any, on the Gross Settlement Fund, and make no representation or warranty regarding the tax treatment of any amount paid or received under this Settlement. Any Class Member with tax questions or concerns is urged to immediately contact his/her own tax adviser. Defendants will have no input in determining the amount of taxes payable by the Settlement Class or how the taxes will be paid from the Gross Settlement Fund and likewise will not be bound in any respect by such determination or be attributed with any agreement as to whether the taxes paid by the Settlement Class are due or payable.

5.9. The Released Parties shall have no responsibility for, interest in, or liability whatsoever with respect to the maintenance, investment, or distribution of the Net Settlement Fund, the establishment or maintenance of the Escrow Account, the payment or withholding of any taxes, or any other expenses or losses in connection with such matters.

5.10. Before making any distribution, the Settlement Administrator and/or Plaintiff's Counsel must request and receive approval from the Court. The request for distribution shall include the amount of the distribution, a summary of the items included in the proposed distribution, and any supporting documents necessary for the Court to verify that the amount comports with the terms of the Settlement and any applicable Court order. Notwithstanding the foregoing, Defendants agree that, following deposit of the Gross Settlement Fund by Defendants, up to \$350,000.00 of the Gross Settlement Fund may be used for Administration, Notice, and Distribution Costs.

## **6. Claims Administration, Allocation, and Distribution of Net Settlement Fund**

6.1. The Allocation Methodology is a matter separate and apart from the proposed Settlement between Plaintiff and Defendants and is to be considered by the Court separately from the



Court's consideration of the fairness, reasonableness, and adequacy of this Settlement. Provided that none of the terms of the Settlement are modified by such decision, any decision by the Court concerning the Allocation Methodology shall not affect the validity or finality of the Settlement or operate to terminate or cancel this Settlement or affect the finality of the Judgment. Further, after the issuance of any notice contemplated by this Settlement Agreement or ordered by the Court, the Allocation Methodology may be modified without any further notice being required, provided the modification is approved by the Court.

6.2. Plaintiff's Counsel shall, subject to Court approval, allocate the Net Settlement Fund to individual Class Members proportionately based on the amount of statutory interest 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 Plaintiff's Counsel believes has since accrued, and the distribution of small amounts that may exceed the cost of the distribution (\$5.00). No distributions will be made to Class Members who would otherwise receive a distribution of \$5.00 or less 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. It has been determined by Plaintiff's Counsel that \$5.00 is a reasonable *de minimis* threshold. A Class Member that falls into this category may request to be excluded from this Litigation as described in this Settlement Agreement or otherwise will be bound by the Settlement Agreement and all provisions thereof despite receiving no payment under the Final Plan of Allocation. In the event the Court declines to approve the \$5.00 *de minimis* payment provision contained in this paragraph, such refusal will not be grounds to disturb or terminate the Settlement Agreement by any Party; instead, Plaintiff's Counsel will

submit an alternative plan of allocation that does not include the \$5.00 *de minimis* payment provision contained in this paragraph. Plaintiff will utilize the information described in paragraphs 3.3 and 3.4 to direct any allocation to Class Members for the Claim Period. This allocation is subject to modification by Plaintiff's Counsel and final approval by the Court. Defendants shall have no responsibility for the allocation and distribution of the Gross Settlement Fund, shall not be liable for any claims by, through, or under any Class Member or any third party relating to the allocation or distribution of the Gross Settlement Fund, including but not limited to any claims that a Class Member should have been allocated and distributed a different amount of the Gross Settlement Fund than it actually received or than provided by any plan of allocation. Defendants will be indemnified by any Class Member asserting any such claims (or by, through, or under whom such claims are asserted) from and against any losses, liabilities, costs, and expenses, including attorneys' fees, arising out of or relating to the assertion of any such claims.

6.3. No later than twenty-eight (28) days prior to the Final Fairness Hearing, Plaintiff's Counsel will provide the Initial Plan of Allocation to Defendants. The Initial Plan of Allocation will reflect the amount of the Distribution Check to be sent to each Class Member based upon (a) data provided by Defendants pursuant to paragraphs 3.3 and 3.4 above; (b) the assumption that no Class Member timely and properly submits a Request for Exclusion from the Settlement Class or is excluded from the Settlement Class by other order of the Court; and (c) the assumption that Plaintiff's Counsel's application for Plaintiff's Attorneys' Fees, reimbursement of Litigation Expenses and Administration, Notice, and Distribution Costs, and Case Contribution Award will be approved. Plaintiff's Counsel may rely on the data provided by Defendants pursuant to paragraphs

3.3 and 3.4 above for purposes of the Initial Plan of Allocation and is under no obligation to independently verify such data. Plaintiff will submit for approval by the Court the Initial Plan of Allocation based on the provisions of this section in conjunction with the Final Fairness Hearing.

6.4. Within seven (7) days after the Judgment becomes Final and Non-Appealable, the Settlement Administrator will (1) refund to Defendants the amount attributable to Class Members who timely and properly submitted a Request for Exclusion or who were otherwise excluded from the Settlement Class by order of the Court and (2) provide Defendants with the detail necessary for the Court and Defendants to verify the Settlement Administrator's calculation of the refund amount. The amount of such refund will be calculated in accordance with the Allocation Methodology used in the Initial Plan of Allocation (i.e. less Plaintiff's Attorneys' Fees, Litigation Expenses, Administration, Notice, and Distribution Costs, and Case Contribution Award) as applied to the Gross Settlement Fund and approved by the Court. However, if the Court awards less than Plaintiff's requested Attorneys' Fees, Litigation Expenses, Administration, Notice, and Distribution Costs, or Case Contribution Award, the amount of Defendants' opt-out refund will be increased to reflect that reduction.

6.5. Within sixty (60) days after the Effective Date, Plaintiff will file the Final Plan of Allocation with the Court and seek approval thereof. The Final Plan of Allocation will reflect the proportionate amount of the Net Settlement Fund to be paid to each Class Member pursuant to the Allocation Methodology.

6.6. The Settlement Administrator shall administer the Settlement and distribute the Net Settlement Fund under Plaintiff's Counsel's supervision in accordance with this Settlement Agreement and any applicable orders of the Court and subject to the jurisdiction of the Court. Further, to the extent Defendants have 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. Plaintiff, Defendants and their respective Counsel shall cooperate in the administration of the Settlement to the extent reasonably necessary to effectuate its terms.

6.7. The Parties agree that, other than up to \$350,000.00 in Administration, Notice, and Distribution Costs and the refund described in paragraph 6.4 attributable to Class Members who have timely and properly submitted Requests for Exclusion or are otherwise excluded from the Settlement Class by order of the Court, no part of the Gross Settlement Fund will be distributed until the Effective Date. If the Settlement is not finally approved in a Judgment, the Gross Settlement Fund and any accrued interest or returns earned in the Escrow Account will be refunded to Defendants pursuant to paragraph 9.5 below.

6.8. After Court approval of the Final Plan of Allocation, the Settlement Administrator will make prompt distribution of funds to those ordered by the Court to receive those funds. 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. The Settlement Administrator will make a diligent effort to mail the first Distribution Checks within ninety (90) days after approval of the Final Plan of Allocation. The Settlement Administrator will make a diligent effort to distribute the remainder of the Net Settlement Fund to Class Members who have not timely and properly submitted a Request for Exclusion and who are not excluded from the Settlement Class within one (1) year after approval

of the Final Plan of Allocation. Any portion of the Net Settlement Fund attributable to Class Members whose proceeds were remitted as unclaimed property will be sent to the appropriate state entity for which the underlying proceeds were remitted, unless however, any such Class Member is located by the Settlement Administrator or Plaintiff's Counsel during administration of the Settlement, in which event those Class Members will be paid directly. Any portion of the Net Settlement Fund remaining in the Escrow Account after the void date for each Distribution Check, and after all administration efforts are concluded, will be considered Residual Unclaimed Funds.

6.9. The Settlement Administrator will use commercially reasonable efforts, subject to review and approval by Plaintiff's Counsel, to distribute the Net Settlement Fund. 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.

6.10. If a Distribution Check is returned to the Settlement Administrator under circumstances suggesting the Class Member did not receive the Distribution Check (e.g., a mailed item returned due to an incorrect, insufficient, or outdated 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. However, the expense related to such methods must be proportional to (and not in excess of) the amount of the Distribution Check. 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.

6.11. 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 *Cowan v. Devon Energy Corp., et al.*, Case No. 22-CV-\_\_\_\_-\_\_\_\_, United States District Court for the Eastern District 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, Defendants 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.

6.12. Defendants, Defendants' Counsel, the Settlement Administrator, Plaintiff, and Plaintiff's Counsel shall have no liability to any Class Member for mispayments, overpayments, or underpayments of the Net Settlement Fund.

6.13. 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 and 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, Plaintiff's Counsel, or any other Class Member.

6.14. Upon completing all distributions of the Net Settlement Fund (including any necessary supplemental distributions), complying with the Court's order(s) in furtherance of this Settlement, and distributing the Residual Unclaimed Funds pursuant to the Court's order(s), the Settlement Administrator will have satisfied all obligations relating to the payment and distribution of the Net Settlement Fund.

6.15. To the extent not specifically addressed above, any other amount of the Net Settlement Fund that remains in the Escrow Account one-hundred-fifty (150) days after the Settlement Administrator sends the final wave of Distribution Checks and for which further distribution is not economically reasonable, shall be considered Residual Unclaimed Funds.

6.16. Within one-hundred-eighty (180) days 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 Defendants' and Plaintiff's Counsel. The reconciliation must include (i) a summary of the distributions made from the Escrow Account; (ii) the detail of any interest or other returns earned on the Escrow Account; (iii) the total Residual Unclaimed Funds and detail sufficient to verify that total; and (iv) detail showing the total amount of the Administration, Notice, and Distribution Costs paid from the Escrow Account. Following receipt of this information, Plaintiff and Defendants will move the Court for distribution of the Residual Unclaimed Funds to (i) a mutually agreed upon charity (subject to each Party's sole discretion), or (ii) if no charity is agreed upon by the Parties, the appropriate states' unclaimed property funds. The Settlement Administrator will distribute the Residual Unclaimed Funds pursuant to the Court's order following that motion.

6.17. 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.

6.18. The Mutual Release, Dismissal, and Covenant Not to Sue shall be effective as provided in this 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 Class Member who 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 Class Member 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.

6.19. Except in the case of willful and intentional malfeasance of a dishonest nature directly causing such loss, Plaintiff's Counsel, Plaintiff, the Settlement Class, Defendants' Counsel, and Defendants shall have no liability for loss of any portion of any funds 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 funds lost.

## **7. Attorneys' Fees, Case Contribution Awards, and Litigation Expenses**

7.1. No later than twenty-eight (28) calendar days prior to the Final Fairness Hearing, Plaintiff's Counsel may apply to the Court for an award of Plaintiff's Attorneys' Fees, a Case Contribution Award, and for reimbursement of Litigation Expenses and Administration, Notice,



and Distribution Costs. Defendants have no obligation for Plaintiff's Attorneys' Fees, a Case Contribution Award, or Litigation Expenses and Administration, Notice, and Distribution Costs, all of which shall be paid from the Gross Settlement Fund. Therefore, Defendants shall not take any position with respect to the applications; the amount of Plaintiff's Attorneys' Fees, Case Contribution Award, or Litigation Expenses and Administration, Notice, and Distribution Costs sought or with respect to whether the Court should make any or all such awards as long as the applications comply with the terms of this Settlement Agreement. Defendants specifically agree not to contest an application for Attorneys' Fees up to and including 40% of the Gross Settlement Fund. Any award of Plaintiff's Attorneys' Fees will be governed by federal common law as set forth in paragraph 11.8. Plaintiff and Plaintiff's Counsel agree that any award of Plaintiff's Attorneys' Fees, Case Contribution Award, Litigation Expenses, or Administration, Notice, and Distribution Costs will occur exclusively from the Gross Settlement Fund. The Released Parties shall have no responsibility for and shall take no position with respect to Plaintiff's Attorneys' Fees, Litigation Expenses, Administration, Notice, and Distribution Costs, or a Case Contribution Award, nor will they encourage or communicate with any anyone to object thereto.

7.2. Subject to the conditions and qualifications set forth below, any Plaintiff's Attorneys' Fees and reimbursement of Litigation Expenses and Administration, Notice, and Distribution Costs that are awarded to Plaintiff's Counsel by the Court shall be paid to Plaintiff's Counsel from the Gross Settlement Fund, to the extent practicable through reasonably diligent efforts by the Escrow Agent, seven (7) days following the date the Judgment becomes Final and Non-Appealable. The terms of this provision may only be altered or amended by written agreement signed by Defendants and Plaintiff's Counsel.

7.3. Any Case Contribution Award that is awarded by the Court shall be paid to Plaintiff from the Gross Settlement Fund, to the extent practicable through reasonably diligent efforts by the Escrow Agent, seven (7) days following the date the Judgment becomes Final and Non-Appealable.

7.4. An award of Plaintiff's Attorneys' Fees, a Case Contribution Award, Litigation Expenses, or Administration, Notice, and Distribution Costs is not a necessary term of this Settlement Agreement and is not a condition of this Settlement Agreement. No decision by the Court or any court on any application for an award of Plaintiff's Attorneys' Fees, a Case Contribution Award, Litigation Expenses, or Administration, Notice, and Distribution Costs shall affect the validity or finality of the Settlement as long as the decision comports with the terms of this Settlement Agreement. Plaintiff and Plaintiff's Counsel may not cancel or terminate the Settlement Agreement or the Settlement based on this Court's or any other court's ruling with respect to Plaintiff's Attorneys' Fees, a Case Contribution Award, or Litigation Expenses and Administration, Notice, and Distribution Costs.

## **8. Requests for Exclusion**

8.1. Plaintiff shall not submit a Request for Exclusion and neither Plaintiff, Plaintiff's Counsel, Defendants, Defendants' Counsel, nor anyone acting on behalf of said persons or entities, shall encourage or communicate with anyone else regarding submission of a Request for Exclusion. Nevertheless, this Settlement Agreement does not prohibit Plaintiff's Counsel from counseling any Class Member as to his, her, or its legal rights or prohibit any Class Member who seeks such counsel from Plaintiff's Counsel from electing to file a Request for Exclusion from the Settlement Class in accordance with the Court's orders on the subject.

8.2. Any putative Class Member who timely and properly submits a valid Request for Exclusion, as described below, shall have no right to object to the Settlement in any way, including but not limited to, the fairness, reasonableness and/or amount of any aspect of the Settlement, Notice of Settlement, Plaintiff's Counsel's request for Plaintiff's Attorneys' Fees, Litigation Expenses, Administration, Notice, and Distribution Costs, a Case Contribution Award, the Allocation Methodology, any Plan of Allocation using the Allocation Methodology, or any distribution of the Net Settlement Fund or Residual Unclaimed Funds.

8.3. The Preliminary Approval Order and Notice of Settlement must state that all Requests for Exclusion must be served on Defendants' Counsel, Plaintiff's Counsel, and the Settlement Administrator by United States Certified Mail, Return Receipt Requested in the manner set by the Court at least twenty-one (21) calendar days prior to the Final Fairness Hearing, unless such deadline is changed or altered by Order of the Court.

8.4. All Requests for Exclusion must include: (a) the Class Member's name, address, telephone number, and notarized signature; (b) a statement that the Class Member wishes to be excluded from the Settlement Class in *Cowan v. Devon Energy Corp., et al.*, and (c) a description of the Class Member's interest in any wells for which Defendants remitted oil-and-gas proceeds, including the name, well number, county in which the well is located, and the owner identification number. Requests for Exclusion may not be submitted through the website or by telephone, facsimile or e-mail.

## **9. Termination**

9.1. Within ten (10) business days after: (a) the Court enters an order denying the motion for preliminary approval of the Settlement or expressly declines to enter the Preliminary Approval Order; (b) the Court refuses to approve this Settlement Agreement or any material part of it; (c)

the Court denies the motion for final approval or declines to enter the Judgment; or (d) the date upon which the Judgment is modified or reversed in any material respect and such modification or reversal becomes Final and Non-Appealable, Plaintiff and Defendants shall each have the right to terminate the Settlement and this Settlement Agreement by providing written notice to the other Parties that are signatories to this Settlement Agreement of an election to do so; *provided, however*, that any court decision, ruling, or order solely with respect to an application for Plaintiff's Attorneys' Fees, Case Contribution Award, Litigation Expense, or Administration, Notice, and Distribution Costs, or to the Allocation Methodology (or any Plan of Allocation using the Allocation Methodology) shall not be grounds for termination as long as it comports with the terms of this Settlement Agreement.

9.2. Defendants shall have the right and option, in their sole discretion, to terminate this Settlement if Class Members who have claims which, in the aggregate, exceed twenty percent (20%) of the Net Settlement Fund under the Initial Plan of Allocation elect to opt-out of this Settlement. Within five (5) days after the opt-out period ends, the Settlement Administrator shall determine whether the aforesaid threshold for opt-outs has been met and will notify Plaintiff's Counsel and Defendants' Counsel in writing regarding the results of that determination and simultaneously provide a list of the Class Members who have opted out. Defendants must elect to terminate this Settlement by written notice delivered to Plaintiff's Counsel on or before the expiration of five (5) days following the date on which the Settlement Administrator provides the above-referenced written notice of the threshold for opt-outs. If Defendants do not exercise their right to terminate on or before the expiration of that five (5) day period, Defendants' right to terminate shall expire. If Defendants timely and properly exercises its option to terminate this Agreement, this Agreement shall become null and void, subject to the provisions of paragraph 9.5 below, and all orders of the

Court preliminarily or otherwise certifying the Settlement Class shall be vacated and the Parties shall be returned to the status quo that existed in the Litigation before the Parties had preliminarily agreed to propose this Settlement (subject to appropriate extensions of deadlines to enable the litigation to proceed).

9.3. In the event the Settlement is terminated pursuant to the terms of this Settlement Agreement, the actual costs of Administration, Notice, and Distribution Costs, said costs not to exceed \$350,000.00, paid from the Escrow Account prior to the date of termination will not be returned or repaid to Defendant, or if other amounts are paid or incurred separately by Plaintiff or Plaintiff's Counsel, they will be considered costs incurred by Plaintiff in the Litigation.

9.4. The Effective Date, defined in paragraph 1.10, shall be the first business day on which all of the following shall have occurred:

- a) Defendants have fully paid, or caused to be fully paid, the Gross Settlement Fund, as required above;
- b) neither Defendants nor Plaintiff have terminated the Settlement and this Settlement Agreement and all such rights have expired in accordance with paragraphs 9.1 and 9.2;
- c) the Court has approved the Settlement as described herein and entered the Judgment with substantially the form and content attached hereto as Exhibit 2; and
- d) such Judgment has become Final and Non-Appealable, as set forth in paragraph 1.14.

9.5. If any Party exercises a right to terminate the Settlement pursuant to its terms:

- a) this Settlement Agreement shall be cancelled and terminated;
- b) the Effective Date shall not occur;
- c) Plaintiff and Defendants shall be restored to their respective positions prior to the Settlement;

- d) the terms and provisions of this Settlement Agreement, except as otherwise provided herein, shall have no further force and effect with respect to Plaintiff, Defendants, or any Class Member and shall not be used in the Litigation or in any other proceeding by anyone for any purpose except to enforce the surviving terms of the Settlement Agreement;
- e) any Judgment or other order, including any order certifying the Settlement Class for settlement purposes only, entered by the Court in accordance with the terms of this Settlement Agreement, shall be treated as vacated, *nunc pro tunc*;
- f) within ten (10) business days after any such termination, the Gross Settlement Fund (including accrued interest or returns thereon) shall be refunded by the Escrow Agent to Defendants, less the reasonable, actual costs incurred in Administration, Notice, and Distribution Costs, said costs not to exceed \$350,000.00, by the Settlement Administrator prior to termination;
- g) the Parties will stipulate to a dismissal without prejudice of the Federal Litigation and the Parties will jointly file a motion to lift the stay in the State Litigation; and
- h) the Litigation shall proceed as if the Settlement Agreement and any orders or motions entered to further the Settlement were never entered.

## **10. Objections**

10.1. The Notice of Settlement shall require that any objection to the Settlement, this Settlement Agreement, or to the application for Plaintiff's Attorneys' Fees, Litigation Expenses, Administration, Notice, and Distribution Costs, and Case Contribution Award be in writing and comply with all the requirements set forth herein and by the Court in the Preliminary Approval Order and Notice of Settlement.

10.2. If the Court determines that the Settlement, including the Allocation Methodology, the Initial Plan of Allocation, and the awards of Plaintiff's Attorneys' Fees, Case Contribution Award, and Litigation Expenses and Administration, Notice, and Distribution Costs are fair, adequate and reasonable to the Settlement Class, Plaintiff and Plaintiff's Counsel shall represent the Settlement Class as a whole in all future proceedings in district court or on appeal regarding the

Litigation, even if Class Members have objected to the Settlement and those objectors are severed for purposes of appeal.

10.3. The Parties entered into the Settlement to provide certainty and finality to an ongoing dispute. Any Class Member wishing to remain a Class Member, but objecting to any part of the Settlement, can do so only as set forth herein and in the Notice of Settlement documents in substantially the same form as Exhibits 3-5. If, after hearing the objection(s), the Court determines that the Settlement, including but not limited to, the Allocation Methodology, the Initial Plan of Allocation, and the awards of Plaintiff's Attorneys' Fees, any Case Contribution Award, and reimbursement of Litigation Expenses and Administration, Notice, and Distribution Costs, is fair, adequate and reasonable to the Class as a whole, then either or both Plaintiff and Defendants (each in their sole discretion) may request that the Court require each objecting Class Member to preserve their appellate rights as follows (prior to filing a Notice of Appeal): move for severance and separate appellate review of the Court's rulings on objections relating solely to one or more of the following: the Initial Plan of Allocation, the award of Plaintiff's Attorneys' Fees, Case Contribution Award, or Litigation Expenses and Administration, Notice, and Distribution Costs; provided, however, that none of the Parties shall file a motion for severance and separate appellate review of any objections to the fairness or approval of the Settlement Agreement.

10.4. If the Court determines that the Settlement, including but not limited to, the Allocation Methodology, the Initial Plan of Allocation, and the awards of Plaintiff's Attorneys' Fees, any Case Contribution Award, and reimbursement of Litigation Expenses and Administration, Notice, and Distribution Costs, is fair, adequate and reasonable to the Class as a whole, then either or both Plaintiff and Defendants (each in their sole discretion) may request the Court to require any objecting Class Member, as a prerequisite to pursuing appeal, to put up a cash bond in an amount

sufficient to reimburse (a) the appellate fees of Plaintiff's Counsel and Defendants' Counsel and (b) the amount of lost interest to the non-objecting Class Members caused by any delay in distribution of the Net Settlement Fund that is caused by appellate review of the objection.

10.5. Only a person or entity who remains a member of the Settlement Class shall have the right to object to the Settlement, the Settlement Agreement, or the application for Plaintiff's Attorneys' Fees, Litigation Expenses and Administration, Notice, and Distribution Costs, and Case Contribution Award. In order for an objection to be valid, the written objection must be (a) filed with the Court and served on Plaintiff's Counsel and Defendants' Counsel by United States Certified Mail, Return Receipt Requested at least fourteen (14) calendar days prior to the Final Fairness Hearing, unless such deadline is extended or altered by Order of the Court and (b) contain the following:

- i. A heading referring to *Cowan v. Devon Energy Corp., et al.*, Case No. 22-CV-\_\_\_\_ - \_\_\_\_ and to the United States District Court for the Eastern District of Oklahoma;
- ii. A statement as to whether the objector intends to appear at the Final Fairness Hearing, either in person or through counsel, and, if through counsel, identifying counsel by name, address, and telephone number;
- iii. A detailed statement of the specific legal and factual basis for each and every objection;
- iv. A list of any witnesses the objector wishes to call at the Final Fairness Hearing, together with a brief summary of each witness's expected testimony (to the extent the objector desires to offer expert testimony and/or an expert report, any such evidence must fully comply with the Federal Rules of Civil Procedure, Federal Rules of Evidence, and the Local Rules of the Court);
- v. A list of and copies of any exhibits the objector may seek to use at the Final Fairness Hearing;
- vi. A list of any legal authority the objector may present at the Final Fairness Hearing;



- vii. The objector's name, current address, current telephone number, and all owner identification numbers with Defendants;
- viii. The objector's signature executed before a Notary Public;
- ix. Identification of the objector's interest in wells for which the objector has received payments made by or on behalf of Defendants (by well name, payee well number, and county in which the well is located) during the Claim Period and identification of such payments by date of payment, date of production, and amount; and
- x. If the objector is objecting to any portion of Plaintiff's Attorneys' Fees, Litigation Expenses or Administration, Notice, and Distribution Costs, or Case Contribution Award sought by Plaintiff or Plaintiff's Counsel on the basis that the amounts requested are unreasonably high, the objector must specifically state the portion of such requests he/she/it believes is fair and reasonable and the portion that is not.

Any Class Member who fails to timely file such written statement and provide the required information will not be permitted to present any objections at the Final Fairness Hearing and such failure will render any such attempted objection untimely and of no effect. All presentations of objections will be further limited by the information listed. A Class Member's mere compliance with the foregoing requirements does not in any way guarantee a Class Member the ability to present evidence or testimony at the Final Fairness Hearing. The decision whether to allow any testimony, argument, or evidence, as well as the scope and duration of any and all presentations of objections at the Final Fairness Hearing, will be in the sole discretion of the Court.

10.6. The Parties will not object to the fairness, adequacy, or reasonableness of the Settlement on appeal. Nor will Defendants take any position, including on appeal, regarding Plaintiff's Attorneys' Fees, any Case Contribution Award, any reimbursement of Litigation Expenses and Administration, Notice, and Distribution Costs, or the Allocation Methodology (or any Plan of Allocation using the Allocation Methodology) as long as those amounts comply with the terms of this Settlement Agreement

## **11. Other Terms and Conditions**

11.1. Defendants expressly deny all allegations of wrongdoing or liability with respect to the claims and allegations in the Litigation and denies that the Litigation could have been properly maintained as a class action. It is expressly agreed that neither this Settlement, the Settlement Agreement, any document referred to herein, nor any action taken to carry out the Settlement is, may be construed as, or may be used as, evidence of or an admission or concession by Defendants of any fault, wrongdoing or liability whatsoever with respect to the claims and allegations in the Litigation, or class certifiability. There has been no determination by any court, administrative agency or other tribunal regarding the claims and allegations made in this Litigation. By agreeing to settle the claims of the Settlement Class in the Litigation, Defendants do not admit that the Litigation could have been properly maintained as a contested class action and the Settlement Class does not admit any deficiency in the merits of their claims. Defendants assert they have valid defenses to Plaintiff's and the Class Member's claims and are entering into the Settlement solely to compromise the disputed claims and avoid the risk and expense of continued litigation.

11.2. Entering into or carrying out the Settlement Agreement, and any negotiations or proceedings related thereto, is not, and shall not be construed as, or deemed to be evidence of, an admission or concession by any of the Parties to the Settlement Agreement and the Parties agree that the Settlement Agreement shall not be offered or received in evidence in any action or proceeding by or against any party hereto in any court, administrative agency or other tribunal for any purpose whatsoever other than to enforce the provisions of the Settlement between Defendants and any Class Member(s), the provisions of the Settlement Agreement, or the provisions of any related agreement, order, judgment or release. Plaintiff also specifically agrees, on behalf of himself and

the Settlement Class, that the order certifying the Litigation as a class action for settlement purposes is likewise inadmissible in any presently pending or subsequently-filed lawsuit as evidence that such lawsuit can be, or should be, certified as a class under the Federal Rules of Civil Procedure or any applicable state rule of civil procedure.

11.3. Plaintiff and Defendants shall use their best efforts to encourage and obtain approval of the Settlement. Plaintiff and Defendants also agree to use their best efforts to promptly prepare and execute all documentation as may be reasonably required to obtain final approval by the Court of this Settlement and to carry out the terms of this Settlement Agreement.

11.4. Within thirty (30) calendar days after the Settlement Administrator sends the Residual Unclaimed Funds, (1) each Party, each Party's counsel, each Party's consultants, each Party's experts, and any other persons who have hard copy or electronic documents or computer disks of documents produced by the other Party that were designated confidential in the Litigation or documents or information derived from documents the other Party designated as confidential in the Litigation will (at their sole expense) return or destroy all such hard copy or electronic documents and computer disks, and will erase or otherwise delete any and all data stored on computer or on computer disks of such documents or information or the data from such documents or information and (2) each Party will, upon request by another Party, certify in writing to the other Party's counsel that such documents, disks, data and information have been destroyed, returned, erased, or deleted. In addition, within thirty (30) calendar days after the Settlement Administrator sends the Residual Unclaimed Funds, (1) Plaintiff and any person or entity to whom Plaintiff has provided such documents will (at their sole expense) destroy, return, delete, or erase any hard copy or electronic copy transcripts of depositions or trial testimony or other sworn statements of Defendants' witnesses any exhibits to any transcripts or statements and (2) Plaintiff's Counsel will certify, upon request

by another Party, in writing to Defendants' Counsel that such documents were destroyed, returned, deleted, or erased. Neither Party will be obligated to destroy, return, erase or delete: (1) any documents previously filed in the public record during the course of the Litigation; (2) any documents Plaintiff and Defendants may agree are not to be considered confidential; or (3) any documents subject to a prior agreement between Plaintiff and Defendants allowing their use in other litigation. Any protective order on file in this Litigation will survive any Judgment issued by the Court and any documents or other information not destroyed in accordance with this paragraph will remain subject to any protective order and all remedies thereunder.

11.5. Except as otherwise provided herein or by a writing signed by all the signatories hereto, the Settlement Agreement shall constitute the entire agreement among Plaintiff and Defendants related to the Settlement of the Litigation, and no representations, warranties, or inducements have been made to any party concerning the Settlement other than the representations, warranties, and covenants contained and memorialized in the Settlement Agreement. Further, none of the Parties have relied upon any representations, warranties, or covenants made by any other Party other than those expressly contained and memorialized in the Settlement Agreement. This Settlement Agreement may not be modified or amended, nor may any of its provisions be waived, except by a writing signed by all signatories hereto or their successors-in-interest.

11.6. This Settlement Agreement may be executed in one or more counterparts, including by facsimile or imaged signatures. Facsimile or imaged signatures will have the same force and effect as original signatures. All executed counterparts taken together shall be deemed to be one and the same instrument. Counsel for the Parties shall exchange among themselves signed counterparts of this Settlement Agreement and Plaintiff will file a complete copy of the Settlement Agreement that has been executed by all Parties with the Court.

11.7. Plaintiff and Defendants and their respective Counsel have mutually contributed to the preparation of the Settlement Agreement. Accordingly, no provision of the Settlement Agreement shall be construed against any party on the grounds that one of the parties or its counsel drafted the provision. Plaintiff and Defendants are each represented by competent counsel who have advised their respective clients as to the legal effects of this Settlement, and neither Plaintiff nor Defendants have received or relied upon advice from opposing counsel. Except as otherwise provided herein, each party shall bear its own costs in connection with the Settlement and preparation of the Settlement Agreement.

11.8. To promote certainty, predictability, the full enforceability of this Settlement Agreement as written, and its nationwide application, this Settlement Agreement shall be governed solely by federal law, both substantive and procedural, as to due process, class certification, judgment, collateral estoppel, res judicata, release, settlement approval, allocation, case contribution award, the right to and reasonableness of attorneys' fees and expenses, and all other matters for which there is federal procedural or common law, including federal law regarding federal equitable common fund class actions.

11.9. The Settlement Agreement shall be binding upon, and inure to the benefit of, the successors, trustees, and assigns of the Parties hereto.

11.10. Plaintiff and Defendants intend this Settlement to be a final and complete resolution of all disputes asserted or that could be asserted with respect to the Released Claims. Accordingly, Defendants agree not to file a claim against Plaintiff or Plaintiff's Counsel based upon an assertion that the Litigation was brought by Plaintiff or Plaintiff's Counsel in bad faith or without a reasonable basis. Similarly, Plaintiff agrees not to file a claim against Defendants or Defendants' Counsel based upon an assertion that the Litigation was defended by Defendants or Defendants' Counsel

in bad faith or without a reasonable basis. Plaintiff and Defendants agree that the amount paid and the other terms of this Settlement were negotiated at arm's length and in good faith, and reflect a settlement that was reached voluntarily after consultation with experienced legal counsel. Neither Plaintiff nor Defendants shall assert any claims that the other violated the Oklahoma or Federal Rules of Civil Procedure or any other law or rule governing litigation conduct in the maintenance or defense of the Litigation.

11.11. The headings in the Settlement Agreement are used for the purpose of convenience only and are not meant to have legal effect.

11.12. All disputes and proceedings with respect to the administration of the Settlement and enforcement of the Judgment shall be subject to the jurisdiction of the Court. Plaintiff, the Settlement Class, and Defendants waive any right to trial by jury of any dispute arising under or relating to this Settlement Agreement or the Settlement.

11.13. To the extent non-material modifications of this Settlement Agreement are necessary, such modification may be made by written agreement among Plaintiff and Defendants after the Execution Date without further notice to the Settlement Class as provided herein. This Settlement Agreement and attached exhibits represent the entire, fully integrated agreement between the Parties with respect to the Settlement of the Litigation and may not be contradicted by evidence of prior or contemporaneous oral or written agreements between the Parties. This Settlement Agreement cancels and supersedes any and all prior agreements, understandings, representations, and negotiations concerning this Settlement. No additional obligations or understandings shall be inferred or implied from any of the terms of this Settlement Agreement, as all obligations, agreements, and understandings with respect to the subject matter hereof are solely and expressly set

forth herein. It is understood and agreed that the Parties rely wholly on their own respective judgment, belief and knowledge of the facts relating to the making of this Settlement, which is made without reliance upon any statement, promise, inducement, or consideration not recited herein.

11.14. All counsel and any other persons executing this Settlement Agreement and any of the exhibits hereto or any related Settlement documents, warrant and represent that they have the full authority to do so and that they have the authority to take appropriate action required or permitted to be taken pursuant to the Settlement Agreement to effectuate its terms. Plaintiff and each member of the Settlement Class is deemed to represent and warrant that he, she, or it holds the claims being released in the Settlement and that he, she, or it has full authority to release such claims.

11.15. Plaintiff and Defendants stipulate and agree that (a) all activity in the Litigation, except that contemplated in the Settlement Agreement, the Preliminary Approval Order, the Notice of Settlement, and the Judgment shall be stayed and (b) all hearings, deadlines, and other proceedings, except the preliminary approval hearing (if any) and the Final Fairness Hearing, shall be taken off the calendar.

11.16. If any Party is required to give notice to the other Party under this Settlement Agreement, such notice shall be in writing and shall be deemed to have been duly given upon receipt by hand delivery, facsimile transmission or electronic mail to the individuals named in the signature blocks below.

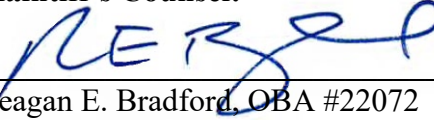
11.17. The Parties agree the Litigation and the Settlement do not relate to the offering of goods or services to persons in the European Union or the monitoring of behavior of persons residing in the European Union; thus, the Parties and their Counsel are not subject to the General Data Protection Regulation (GDPR) by virtue of anything related to this Settlement.

IN WITNESS WHEREOF, the parties and counsel have executed this Agreement, in several, as of July 22, 2022.

**Plaintiff:**

\_\_\_\_\_  
Chuck Travis Cowan

**Plaintiff's Counsel:**

  
\_\_\_\_\_  
Reagan E. Bradford, OBA #22072

Ryan K. Wilson, OBA #33306  
BRADFORD & WILSON PLLC  
431 W. Main Street, Suite D  
Oklahoma City, OK 73102  
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Tim Maxcey, OBA #13567  
STIPE LAW FIRM  
P.O. Box 1369  
McAlester, OK 74502  
(918) 423-0421  
(918) 423-0266 (facsimile)  
tmaxcey@stipelaw.com

**Defendants:**

Devon Energy Corporation

By: \_\_\_\_\_  
Dennis Cameron  
Executive Vice President and General  
Counsel

Devon Energy Production Company, L.P.

By: \_\_\_\_\_  
Dennis Cameron  
Executive Vice President and General  
Counsel



**Defendants' Counsel:**

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Jeffrey C. King, TX Bar #11449280  
Elizabeth L. Tiblets, TX Bar #24066194  
K&L Gates LLP  
301 Commerce Street, Suite 3000  
Fort Worth, Texas 76102  
(817) 347-5270 (telephone)  
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jeffrey.c.king@klgates.com  
elizabeth.tiblets@klgates.com

Timothy J. Bomhoff, OBA No. 13172  
MCAFEE & TAFT, A Professional Corporation  
Eighth Floor, Two Leadership Square  
211 N. Robinson Ave.  
Oklahoma City, OK 73102  
(405) 552-2238  
(405) 228-7438 fax  
tim.bomhoff@mcafeetaft.com

**Attachments:**

- Exhibit 1: Preliminary Approval Order
- Exhibit 2: Judgment
- Exhibit 3: Notice of Settlement (for Mailing)
- Exhibit 4: Notice of Settlement (for Website)
- Exhibit 5: Notice of Settlement (for Publication)
- Exhibit 6: Complaint for Federal Litigation

**Exhibit 1**

**IN THE UNITED STATES DISTRICT COURT FOR THE  
EASTERN DISTRICT OF OKLAHOMA**

Chuck Travis Cowan, on behalf of himself  
and all others similarly situated,

Plaintiff,

v.

Devon Energy Corporation, et al.,

Defendants.

Case No. 22-CV-\_\_\_\_-\_\_\_\_

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**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**

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This is a class action lawsuit brought by Chuck Travis Cowan, on behalf of himself and as representative of a class of owners (defined below), against Devon Energy Corporation and Devon Energy Production Company, L.P. (“Defendants”), for the alleged failure to pay statutory interest on payments made outside the time periods set forth in the Production Revenue Standards Act, 52 Okla. St. § 570.1 *et seq.* (the “PRSA”) for oil-and-gas production proceeds from oil and gas wells in Oklahoma. On July 22, 2022, the Parties executed a Stipulation and Agreement of Settlement (the “Settlement Agreement”) finalizing the terms of the Settlement.<sup>1</sup> The Settlement Agreement, together with the documents referenced therein and exhibits thereto, set forth the terms and conditions for the proposed Settlement of the Litigation. In accordance with the Settlement Agreement,

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

Plaintiff now presents the Settlement to the Court for preliminary approval under Federal Rule of Civil Procedure 23.

After reviewing the pleadings and Plaintiff's Motion to Certify the Class for Settlement Purposes, Preliminarily Approve Class Action Settlement, Approve Form and Manner of Notice, and Set Date for Final Fairness Hearing ("Motion for Preliminary Approval"), the Court has preliminarily considered the Settlement to determine, among other things, whether the Settlement warrants the issuance of notice to the Settlement Class. Upon reviewing the Settlement and the Motion for Preliminary Approval, it is hereby **ORDERED, ADJUDGED AND DECREED** as follows:

1. For purposes of this Order, the Court adopts all defined terms as set forth in the Settlement Agreement unless otherwise defined herein.
2. The Court finds the Settlement Class should be certified at this stage for the purposes of this Settlement, as the Settlement Class meets all certification requirements of Federal Rule of Civil Procedure 23 for a settlement class.

The certified Settlement Class is defined as follows:

All non-excluded persons or entities who, during the Claim Period: (1) (i) received payments from Defendants (or Defendants' designee) for oil, gas, or natural gas liquids proceeds from Oklahoma wells; or (ii) whose proceeds were remitted to unclaimed property divisions of any government entity by Defendants and (2) whose payments or whose unclaimed property payments did not include statutory interest. The Settlement Class includes owners of royalty interests, overriding royalty interests, and working interests.

Excluded from the Class are: (1) Defendants, their affiliates, predecessors, and employees, officers, and directors; (2) agencies, departments, or instrumentalities of the United States of America or the State of Oklahoma; (3) publicly traded oil-and-gas companies and their affiliates; (4) persons or entities that Plaintiff's counsel may be prohibited from representing under Rule 1.7 of the Oklahoma Rules of Professional Conduct; (5) any Indian

tribe as defined at 30 U.S.C. § 1702(4) or Indian allottee as defined at 30 U.S.C. § 1702(2); and (6) officers of the Court.

The Claim Period is the time period between and including October 1, 2011, through the expiration of 120 days following the execution of the Settlement Agreement (i.e. November 19, 2022).

3. The Court finds the above-defined Settlement Class satisfies all prerequisites of Federal Rule of Civil Procedure 23(a) for purposes of the proposed class settlement:

a. **Numerosity.** Plaintiff has demonstrated “[t]he class is so numerous that joinder of all members is impracticable.” Fed. R. Civ. P. 23(a)(1). The Tenth Circuit has not adopted a set number as presumptively sufficient to meet this burden, and there is “no set formula to determine if the class is so numerous that it should be so certified.” *Trevizo v. Adams*, 455 F.3d 1155, 1162 (10th Cir. 2006). Here, the Settlement Class consists of thousands of owners. Therefore, the Court finds the numerosity prerequisite is undoubtedly met.

b. **Commonality.** Plaintiff has also demonstrated “[t]here are questions of law or fact common to the class.” Fed. R. Civ. P. 23(a)(2).

c. **Typicality.** Plaintiff has also shown “[t]he claims or defenses of the representative parties are typical of the claims or defenses of the class.” Fed. R. Civ. P. 23(a)(3).

d. **Adequacy.** Plaintiff and Plaintiff’s Counsel have demonstrated “[t]he representative parties will fairly and adequately protect the interests of the class.” Fed. R. Civ. P. 23(a)(4).

In addition, because the Court finds Plaintiff and Plaintiff’s Counsel to be adequate representatives of the Settlement Class, the Court hereby appoints Plaintiff Chuck Travis Cowan as Class Representative and Plaintiff’s Counsel Reagan E. Bradford and Ryan K. Wilson as Co-Lead Class Counsel.

4. The Court also finds the requirements of Federal Rule of Civil Procedure 23(b)(3) are met:

a. **Predominance.** Class Representative has shown “questions of law or fact common to the members of the class predominate over any questions affecting only individual members.” Fed. R. Civ. P. 23(b)(3).

b. **Superiority.** Class Representative has also established “that a class action is superior to other available methods for the fair and efficient adjudication of the controversy.” Fed. R. Civ. P. 23(b)(3). The Court has not evaluated whether, if tried, the case would present manageability problems. *See Amchem Prod. Inc. v. Windsor*, 521 U.S. 591, 620 (1997).

In sum, the Court finds all prerequisites and requirements of Federal Rule of Civil Procedure 23(a)-(b) are satisfied, and the Settlement Class is hereby certified for the purposes of this Settlement.

5. The Court preliminarily finds (a) the proposed Settlement resulted from extensive arm’s-length negotiations; (b) the proposed Settlement was agreed to only after Class Counsel had conducted legal research and discovery regarding the strengths and weaknesses of Class Representative’s and the Settlement Class’ claims; (c) Class Representative and Class Counsel have concluded that the proposed Settlement is fair, reasonable, and adequate; and (d) the proposed Settlement is sufficiently fair, reasonable, and adequate to warrant sending notice of the proposed Settlement to the Settlement Class.

6. Having considered the essential terms of the Settlement under the recognized standards for preliminary approval as set forth in the relevant jurisprudence, the Court preliminarily approves the Settlement, subject to the right of any member of the Settlement Class to challenge

the fairness, reasonableness, and adequacy of any part of the Settlement, Settlement Agreement, Allocation Methodology, or proposed Initial Plan of Allocation (or any other Plan of Allocation), and to show cause, if any exists, why a final Judgment dismissing the Litigation based on the Settlement Agreement should not be ordered after adequate notice to the Settlement Class has been given in conformity with this Order. As such, the Court finds that those Class Members whose claims would be settled, compromised, dismissed, and released pursuant to the Settlement should be given notice and an opportunity to be heard regarding final approval of the Settlement and other matters.

7. The Court further preliminarily approves the form and content of the proposed Notices, which are attached to the Settlement Agreement as Exhibits 3-5, and finds the Notices are the best notice practicable under the circumstances, constitute due and sufficient notice to all persons and entities entitled to receive such notice, and fully satisfy the requirements of applicable laws, including due process and Federal Rule of Civil Procedure 23. The Court finds the form and content of the Notices fairly and adequately: (a) describe the terms and effect of the Settlement; (b) notify the Settlement Class that Class Counsel will seek Plaintiff's Attorneys' Fees, reimbursement of Litigation Expenses and Administration, Notice, and Distribution Costs, and a Case Contribution Award for Class Representative's services; (c) notify the Settlement Class of the time and place of the Final Fairness Hearing; (d) describe the procedure for requesting exclusion from the Settlement; and (e) describe the procedure for objecting to the Settlement or any part thereof.

8. The Court also preliminarily approves the proposed manner of communicating the Notices to the Settlement Class, as set out below, and finds it is the best notice practicable under the circumstances, constitutes due and sufficient notice to all persons and entities entitled to receive

such notice, and fully satisfies the requirements of applicable laws, including due process and Federal Rule of Civil Procedure 23:

a. No later than thirty (30) days after entry of this Preliminary Approval Order, the Settlement Administrator will mail (or cause to be mailed) the Notice by mail to all Class Members who have been identified after reasonable efforts to do so and will post the Notice to the settlement website. The Notice will be mailed to Class Members using the data described in paragraphs 3.3 and 3.4 of the Settlement Agreement, the last known addresses for each payee, and any updated addresses found by the Settlement Administrator. For any Class Members who received more than one payment, the Notice of Settlement will be mailed to the payee's last-known address (or any updated address found by the Settlement Administrator). The Settlement Administrator will also publish the Notice as described below. It is not reasonable or economically practical for the Parties to do more to determine the names and addresses of Class Members.

b. No later than ten (10) days after mailing the first notice, or at such time as is ordered by the Court, the Settlement Administrator also shall publish (or cause to be published) the Notice of Settlement one time in each of the following newspapers: (a) *The Oklahoman*, a paper of general circulation in Oklahoma; and (b) *The Tulsa World*, a paper of general circulation in Oklahoma.

c. Within ten (10) days after mailing the first notice and continuing through the Final Fairness Hearing, the Settlement Administrator will also display (or cause to be displayed) on an Internet website dedicated to this Settlement the following documents: (i) the Notice of Settlement, (ii) the Complaint, (iii) the Settlement Agreement, (iv) this Order, and (v) other publicly filed documents related to the Settlement.

9. Class Counsel is authorized to act on behalf of the Settlement Class with respect to all acts required by, or which may be given pursuant to, the Settlement Agreement, or such other acts that are reasonably necessary to consummate the proposed Settlement set forth in the Settlement Agreement.

10. The Court appoints JND Class Action Administration to act as Settlement Administrator and perform the associated responsibilities set forth in the Settlement Agreement. The Settlement Administrator will receive and process any Requests for Exclusion and, if the Settlement is finally approved by the Court, will supervise and administer the Settlement in accordance with the Settlement Agreement, the Judgment, and the Court's Plan of Allocation order(s) authorizing distribution of the Net Settlement Fund to Class Members. The Parties and their Counsel shall not be liable for any act or omission of the Settlement Administrator.

11. The Court appoints MidFirst Bank as the Escrow Agent. The Escrow Agent is authorized and directed to act in accordance with the Settlement Agreement and Escrow Agreement. Except as set forth in paragraph 6.19 of the Settlement Agreement, the Parties and their Counsel shall not be liable for any act or omission of the Escrow Agent or loss for the funds in the Escrow Account.

12. Pursuant to Federal Rule of Civil Procedure 23(e), a Final Fairness Hearing shall be held on [Month] [Date], [Year], at \_\_\_\_\_ M. in the United States District Court for the Eastern District of Oklahoma, the Honorable \_\_\_\_\_ presiding, to:

- 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: (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, 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 Federal Rules of Civil Procedure and any other applicable law;

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

d. determine the proper method of allocation and distribution of the Net Settlement Fund among Class Members who are not excluded from the Settlement Class by virtue of a timely and properly submitted Request for Exclusion or other order of the Court;

e. determine whether the applications for Plaintiff's Attorneys' Fees, reimbursement of Litigation Expenses, Administration, Notice, and Distribution Costs, and a Case Contribution Award to Class Representative are fair and reasonable and should be approved; and

f. rule on such other matters as the Court may deem appropriate.

13. The Court reserves the right to adjourn, continue, and reconvene the Final Fairness Hearing, or any aspect thereof, including the consideration for the application for Plaintiff's Attorneys' Fees and reimbursement of Litigation Expenses, Administration, Notice, and Distribution

Costs, and a Case Contribution Award to Class Representative without further notice to the Settlement Class. The Settlement Administrator will update the website maintained pursuant this Order to reflect the current information about the date and time for the Final Fairness Hearing.

14. Class Members wishing to exclude themselves from the Settlement Class pursuant to Federal Rule of Civil Procedure 23(e)(4) must submit a valid and timely Request for Exclusion. Requests for Exclusion must include: (i) the Class Member's name, address, telephone number, and notarized signature; (ii) a statement that the Class Member wishes to be excluded from the Settlement Class in *Cowan v. Devon Energy Corp., et al.*; and (iii) a description of the Class Member's interest in any wells for which Defendants remitted oil-and-gas proceeds, including the name, well number, county in which the well is located, and the owner identification number. Requests for Exclusion must be served on the Settlement Administrator, Defendants' Counsel, and Plaintiff's Counsel by certified mail, return receipt requested and received no later than 5 p.m. CT on [Month] [Date], [Year]. Requests for Exclusion may be mailed as follows:

**Settlement Administrator:**

Cowan v. Devon Energy  
c/o JND Class Action Administration, Settlement Administrator  
P.O. Box 91306  
Seattle, WA 98111

**Co-Lead Class Counsel:**

Reagan E. Bradford  
Ryan K. Wilson  
Bradford & Wilson PLLC  
431 W. Main Street, Suite D  
Oklahoma City, OK 73102

**Defendants' Counsel:**

Jeffrey C. King  
Elizabeth L. Tiblets  
K&L Gates LLP  
301 Commerce Street, Suite 3000  
Fort Worth, Texas 76102

Timothy J. Bomhoff  
MCAFEE & TAFT, A Professional Corporation  
Eighth Floor, Two Leadership Square  
211 N. Robinson Ave.  
Oklahoma City, OK 73102

Requests for Exclusion may not be submitted through the website or by phone, facsimile, or e-mail. Any Class Member that has not timely and properly submitted a Request for Exclusion shall be included in the Settlement and shall be bound by the terms of the Settlement Agreement in the event it is finally approved by the Court.

15. Any Class Member who wishes to object to the fairness, reasonableness, or adequacy of the Settlement, any term of the Settlement, the Allocation Methodology, any Plan of Allocation, the request for Plaintiff's Attorneys' Fees, reimbursement of Litigation Expenses and Administration, Notice, and Distribution Costs, or the request for a Case Contribution Award to Class Representative may file an objection. An objector must file with the Court and serve upon Class Counsel and Defendants' Counsel a written objection containing the following: (a) a heading referring to *Cowan v. Devon Energy Corp., et al.*, Case No. 22-CV-\_\_\_ - \_\_\_, United States District Court for the Eastern District of Oklahoma; (b) a statement as to whether the objector intends to appear at the Final Fairness Hearing, either in person or through counsel, and, if through counsel, counsel must be identified by name, address, and telephone number; (c) a detailed statement of the specific legal and factual basis for each and every objection; (d) a list of any witnesses the objector may call at the Final Fairness Hearing, together with a brief summary of each witness's expected testimony (to the extent the objector desires to offer expert testimony and/or an expert report, any such evidence must fully comply with the Federal Rules of Civil Procedure, Federal Rules of Evidence, and the Local Rules of the Court); (e) a list of and copies of any exhibits the objector may seek to use at the Final Fairness Hearing; (f) a list of any legal authority the objector may present

at the Final Fairness Hearing; (g) the objector's name, current address, current telephone number, and all owner identification numbers with Defendants; (h) the objector's signature executed before a Notary Public; (i) identification of the objector's interest in wells for which Defendants remitted oil and gas proceeds (by well name, payee well number, and county in which the well is located) during the Claim Period and identification of any payments by date of payment, date of production, and amount; and (j) if the objector is objecting to any portion of the Plaintiff's Attorneys' Fees, reimbursement of Litigation Expenses or Administration, Notice, and Distribution Costs, or a Case Contribution Award sought by Class Representative or Class Counsel on the basis that the amounts requested are unreasonably high, the objector must specifically state the portion of such requests he/she/it believes is fair and reasonable and the portion that is not. Such written objections must be filed with the Court and served on Plaintiff's Counsel and Defendants' Counsel, via certified mail return receipt requested, and received no later than 5 p.m. CT by the deadline of fourteen (14) calendar days prior to the Final Fairness Hearing.

Any Class Member who fails to timely file and serve such written statement and provide the required information will not be permitted to present any objections at the Final Fairness Hearing and such failure will render any such attempted objection untimely and of no effect. All presentations of objections will be further limited by the information listed. Either or both Party's Counsel may file any reply or response to any objections prior to the Final Fairness Hearing. The procedures set forth in this paragraph do not supplant, but are in addition to, any procedures required by the Federal Rules of Civil Procedure.

16. Any objector who timely files and serves a valid written objection in accordance with the above paragraph may also appear at the Final Fairness Hearing, either in person or through

qualified counsel retained at the objector's expense. Objectors or their attorneys intending to present any objection at the Final Fairness Hearing must comply with the Local Rules of this Court in addition to the requirements set forth in paragraph 15 above.

17. No later than twenty-eight (28) calendar days prior to the Final Fairness Hearing, if the Settlement has not been terminated pursuant to the Settlement Agreement, Plaintiff's Counsel and Plaintiff shall move for: (a) final approval of the Settlement pursuant to Federal Rule of Civil Procedure 23(e); (b) entry of a Judgment in substantially the same form as Exhibit 2 to the Settlement Agreement; (c) final approval of the Allocation Methodology and Initial Plan of Allocation; and (d) Plaintiff's Attorneys' Fees, reimbursement of Litigation Expenses and Administration, Notice, and Distribution Costs, and/or a Case Contribution Award.

18. If the Settlement is not approved by the Court, is terminated in accordance with the terms of the Settlement Agreement, or otherwise does not become Final and Non-Appealable for any reason whatsoever, the Settlement, Settlement Agreement, and any actions to be taken in connection therewith (including this Order and any Judgment entered herein), shall be terminated and become void and of no further force and effect as described in the Settlement Agreement. Any obligations or provisions relating to the refund of amounts paid by Defendants and any other obligation or provision in the Settlement Agreement that expressly pertains to the termination of the Settlement or events to occur after the termination, shall survive termination of the Settlement Agreement and Settlement.

19. All proceedings in the Litigation, other than such proceedings as may be necessary to carry out the terms and conditions of the Settlement, are hereby stayed and suspended until further order of this Court. Pending final approval of the Settlement, Class Representative and all Class Members are barred, enjoined, and restrained from commencing, prosecuting, continuing,

or asserting in any forum, either directly or indirectly, on their own behalf or on the behalf of any other person or class, any Released Claim against Released Parties.

20. Entering into or carrying out the Settlement Agreement, and any negotiations or proceedings related thereto, is not, and shall not be construed as an admission or concession by any of the Parties to the Settlement Agreement. This Order shall not be construed or used as an admission, concession, or declaration by or against Defendants of any fault, wrongdoing, breach, liability, or the propriety of maintaining this Litigation as a contested class action or of class certifiability, and Defendants specifically deny any such fault, wrongdoing, breach, liability, and allegation regarding certification. This Order shall not be construed or used as an admission, concession, or declaration by or against Class Representative or the Settlement Class that their claims lack merit or that the relief requested in the Litigation is inappropriate, improper, or unavailable. This Order shall not be construed or used as an admission, concession, declaration, or waiver by any Party of any arguments, defenses, or claims he, she, or it may have with respect to the Litigation or class certifiability in the event the Settlement is terminated. Moreover, the Settlement and any proceedings taken pursuant to the Settlement are for settlement purposes only. Neither Party may use this order as evidence in any other presently-pending or subsequently-filed lawsuit as evidence of liability, any defense, or that such lawsuit should or could be certified as a class action under the Federal Rules of Civil Procedure or any applicable state rule of civil procedure.

21. The Court, along with any appellate court with power to review the Court's orders and rulings in the Litigation, hereby retains jurisdiction over this Litigation to consider all further matters arising out of or connected with the Settlement reflected in the Settlement Agreement, including enforcement of the releases provided for in the Settlement Agreement. The Court, along with any appellate court with power to review the Court's orders and rulings in the Litigation, also

hereby retains jurisdiction over this Litigation to administer all other matters related to the enforcement of the Settlement Agreement and Settlement and the orders of the Court related thereto.

22. The Court may, for good cause shown, extend any of the deadlines set forth in this Order without further written notice to the Settlement Class.

IT IS SO ORDERED this \_\_\_\_ day of \_\_\_\_\_, [YEAR].

---

[NAME]  
UNITED STATES MAGISTRATE JUDGE

**Approved as to Form:**

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**COUNSEL FOR DEFENDANTS**

**Exhibit 2**

**IN THE UNITED STATES DISTRICT COURT FOR THE  
EASTERN DISTRICT OF OKLAHOMA**

Chuck Travis Cowan, on behalf of himself  
and all others similarly situated,

Plaintiff,

v.

Devon Energy Corporation, et al.,

Defendants.

Case No. 22-CV-\_\_\_\_-\_\_\_\_

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**JUDGMENT**

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This is a class action lawsuit brought by Plaintiff Chuck Travis Cowan, on behalf of himself and as representative of a class of owners (defined below), against Devon Energy Corporation and Devon Energy Production Company, L.P. (“Defendants”), for the alleged failure to pay statutory interest on payments made outside the time periods set forth in the Production Revenue Standards Act, 52 Okla. St. § 570.1 *et seq.* (the “PRSA”) for oil-and-gas production proceeds from oil and gas wells in Oklahoma. On July 22, 2022, the Parties executed a Stipulation and Agreement of Settlement (the “Settlement Agreement”) finalizing the terms of the Settlement.<sup>1</sup>

On [Month] [Date], [Year], 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*:

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<sup>1</sup> 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 Federal Rule of Civil Procedure 23 have been satisfied with respect to the proposed Settlement Class;
- b. appointed Plaintiff Chuck Travis Cowan as Class Representative, Reagan E. Bradford and Ryan K. Wilson as Co-Lead Class Counsel;
- c. 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 and discovery regarding the strengths and weaknesses of Class Representative's and the Settlement Class' claims; (iii) Class Representative and Class Counsel have concluded that the proposed Settlement is fair, reasonable, and adequate; and (iv) the proposed Settlement is sufficiently fair, reasonable, and adequate to warrant sending notice of the proposed Settlement to the Settlement Class;
- d. preliminarily approved the Settlement as fair, reasonable, and adequate and in the best interest of the Settlement Class;
- e. preliminarily approved the form and manner of the proposed Notices to be communicated to the Settlement Class, finding specifically that such Notices, among other information: (i) described the terms and effect of the Settlement; (ii) notified the Settlement Class that Plaintiff's Counsel will seek Plaintiff's Attorneys' Fees, reimbursement of Litigation Expenses and Administration, Notice, and Distribution Costs, and a Case Contribution Award for Class Representative's services; (iii) notified the Settlement Class of the time and place of the Final Fairness Hearing; (iv)

- described the procedure for requesting exclusion from the Settlement; and (v) described the procedure for objecting to the Settlement or any part thereof;
- f. instructed the Settlement Administrator to disseminate the approved Notices to potential members of the Settlement Class in accordance with the Settlement Agreement and in the manner approved by the Court;
  - g. provided for the appointment of a Settlement Administrator;
  - h. provided for the appointment of an Escrow Agent;
  - i. set the date and time for the Final Fairness Hearing as [Month] [Date], [Year], at \_\_\_\_\_M. in the United States District Court for the Eastern District of Oklahoma; and
  - j. 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 Notices was given to the Settlement Class, notifying them of the Settlement and the upcoming Final Fairness Hearing. On [Month] [Day], [Year], in accordance with the Preliminary Approval Order and the Notice, 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 Federal Rules of Civil Procedure 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 Class Members who did not timely submit a valid Request for Exclusion or were not otherwise excluded from the Settlement Class by order of the Court;<sup>2</sup>

d. determine whether a Judgment should be entered pursuant to the Settlement Agreement, *inter alia*, dismissing the Litigation against Defendants 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 Plaintiff's Attorneys' Fees, reimbursement for Litigation Expenses and Administration, Notice, and Distribution Costs, and Case Contribution Award to Class Representative are fair and reasonable and should be approved;<sup>3</sup> 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:

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

<sup>3</sup> The Court will issue separate orders pertaining to Plaintiff's Counsel's request for Plaintiff's Attorneys' Fees, reimbursement of Litigation Expenses and Administration, Notice, and Distribution Costs, and Class Representative's request for a Case Contribution Award.

1. The Court, for purposes of this final 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 has jurisdiction over the subject matter of this Litigation and all matters relating to the Settlement, as well as personal jurisdiction over Defendants and Class Members.

3. The Settlement Class, which was certified in the Court’s Preliminary Approval Order, is defined as follows:

All non-excluded persons or entities who, during the Claim Period: (1) (i) received payments from Defendants (or Defendants’ designee) for oil, gas, or natural gas liquids proceeds from Oklahoma wells or (ii) whose proceeds were remitted to unclaimed property divisions of any government entity by Defendants and (2) whose payments or whose unclaimed property payments did not include statutory interest. The Settlement Class includes owners of royalty interests, overriding royalty interests, and working interests.

Excluded from the Class are: (1) Defendants, their affiliates, predecessors, and employees, officers, and directors; (2) agencies, departments, or instrumentalities of the United States of America or the State of Oklahoma; (3) publicly traded oil-and-gas companies and their affiliates; (4) persons or entities that Plaintiff’s counsel may be prohibited from representing under Rule 1.7 of the Oklahoma Rules of Professional Conduct; (5) any Indian tribe as defined at 30 U.S.C. § 1702(4) or Indian allottee as defined at 30 U.S.C. § 1702(2); and (6) officers of the Court.

The Claim Period is the time period between and including October 1, 2011, through the expiration of 120 days following the execution of the Settlement Agreement (i.e. November 19, 2022).

The Court finds that the above-defined Settlement Class has been properly certified for purposes of this Settlement. The Court finds that the persons and entities identified in the attached Exhibit 1 have filed 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 hereof, 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. At the Final Fairness Hearing on [Month] [Date], [Year], 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 Representative and Defendants 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.

5. The Court further finds that due and proper notice, by means of the Notices, was given to the Settlement Class in conformity with the Settlement Agreement and Preliminary Approval Order. The form, content, and method of communicating the Notices disseminated to the Settlement Class and published pursuant to the Settlement Agreement and the 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 Federal 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 and Summary 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 Settlement.

6. Pursuant to and in accordance with Federal Rule of Civil Procedure 23, the Settlement, including, without limitation, the consideration paid by Defendants, 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 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 the Parties. 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, the Settlement Administrator, and the Escrow Agent 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.

7. By agreeing to settle the Litigation, Defendants do not admit, and instead specifically deny, that the Litigation could have otherwise been properly maintained as a contested class action, and specifically denies any and all wrongdoing and liability to the Settlement Class, Class Representative, and Class Counsel.

8. The Court finds that on [Month] [Date], [Year], Defendants caused notice of the Settlement to be served on the appropriate state official for each state in which a Class Member resides, and the appropriate federal official, as required by and in conformance with the form and

content requirements of 28 U.S.C. § 1715. In connection therewith, the Court has determined that, under 28 U.S.C. § 1715, the appropriate state official for each state in which a Class Member resides was and is the State Attorney General for each such state, and the appropriate federal official was and is the Attorney General of the United States. Further, the Court finds it was not feasible for Defendants to include on each such notice the names of each of the Class Members who reside in each state and the estimated proportionate share of each such Class Members to the entire Settlement as provided in 28 U.S.C. § 1715(b)(7)(A); therefore, each notice included a reasonable estimate of the number of Class Members residing in each state and the value of the Gross Settlement Fund. No appropriate state or federal official has entered an appearance or filed an objection to the entry of final approval of the Settlement. Thus, the Court finds that all requirements of 28 U.S.C. § 1715 have been met and complied with and, as a consequence, no Class Member may refuse to comply with or choose not to be bound by the Settlement and this Court's Orders in furtherance thereof, including this Judgment, under the provisions of 28 U.S.C. § 1715.

9. The Litigation and Released Claims are dismissed with prejudice as to the Released Parties. The Court finds that Defendants have agreed not to file a claim against Plaintiff or Plaintiff's Counsel based upon an assertion that the Litigation was brought by Plaintiff or Plaintiff's Counsel in bad faith or without a reasonable basis. Similarly, the Court finds that Plaintiff has agreed not to file a claim against Defendants or Defendants' Counsel based upon an assertion that the Litigation was defended by Defendants or Defendants' Counsel in bad faith or without a reasonable basis. All Class Members who have not validly and timely submitted a Request for Exclusion to the Settlement Administrator as directed in the Notice of Settlement and Preliminary Approval Order (a) are hereby deemed to have finally, fully, and forever conclusively released, relinquished, and discharged all of the Released Claims against the Released Parties and (b) are barred

and permanently enjoined from, directly or indirectly, on any Class Member's behalf or through others, suing, instigating, instituting, or asserting against the Released Parties any claims or actions on or concerning the Released Claims. Neither Party will bear the other's Party's litigation costs, costs of court, or attorney's fees.

10. The Court also approves the efforts and activities of the Settlement Administrator and the Escrow Agent in assisting with certain aspects of the administration of the Settlement, and directs them to continue to assist Class Representative 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 Representative or Defendants to enforce or effectuate the terms of the Settlement Agreement or this Judgment.

12. As described in paragraph 6.4 of the Settlement Agreement, the Settlement Administrator is directed to refund to Defendants the amounts attributable to Class Members who timely and properly submitted a Request for Exclusion or who were otherwise excluded from the Settlement Class by order of the Court in accordance with the terms and process of the Settlement Agreement.

13. 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 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 releases 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; that any other presently-pending or subsequently-filed lawsuit against Defendants should or could be certified as a class action under the Federal Rules of Civil Procedure or any applicable state rules of civil procedure; or any liability, negligence, fault, or wrongdoing of any person or entity in the Litigation.

14. As separately set forth in detail in the Court's Plan of Allocation Order(s), the Allocation Methodology, the Initial Plan of Allocation, and distribution of the Net Settlement Fund among Class Members who were not excluded from the Settlement Class by timely submitting a valid Request for Exclusion or other order of the Court 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.

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

16. Neither Defendants nor Defendants' Counsel shall have any liability or responsibility to Plaintiff, Plaintiff's Counsel, or the Settlement Class with respect to the Gross Settlement Fund or its administration, including but not limiting to any distributions made by the Escrow Agent or Settlement Administrator. Except as described in paragraph 6.19 of the Settlement Agreement, no Class Member shall have any claim against Plaintiff, Plaintiff's 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.

17. 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.

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

19. Any order approving or modifying any Plan of Allocation Order, the application by Class Counsel for an award of Plaintiff's Attorneys' Fees or reimbursement of Litigation Expenses and Administration, Notice, and Distribution Costs, 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).

20. A party, including Plaintiff, Plaintiff's Counsel, the Settlement Class, Defendants, and Defendants' Counsel, will only be liable for loss of any portion of the Escrow Account as described in paragraph 6.19 of the Settlement Agreement.

21. 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 Representative, the Settlement

Class, Defendant, and the other Released Parties for the purposes of: (i) 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 entered by the Court, and this Judgment; (ii) hearing and determining any application by Class Counsel for an award of Plaintiff's Attorneys' Fees, Litigation Expenses and Administration, Notice, and Distribution Costs, and/or a Case Contribution Award for Class Representative, if such determinations were not made at the Final Fairness Hearing; (iii) supervising the distribution of funds from the Escrow Account; (iv) resolving any dispute regarding a Party's right to terminate the Settlement pursuant to the Settlement Agreement; (v) 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 (vi) exercising jurisdiction over any challenge to the Settlement on any basis whatsoever.

22. 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. The provisions of the Settlement Agreement relating to termination of the Settlement Agreement shall be complied with, including the refund of amounts in the Escrow Account to Defendants.

23. In the event that Class Representative, Defendant, or any of the Released Parties institute any legal action against the other to enforce any provision of the Settlement Agreement or this Judgment, the prevailing party or parties shall be entitled to recover from the non-prevailing party or parties reasonable attorneys' fees and costs incurred in connection with any such action.

24. The Released Claims asserted by Class Representative in this Litigation are hereby DISMISSED WITH PREJUDICE to the refileing of the same or any portion thereof by or against the Released Parties. The Court retains jurisdiction pursuant 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 Plaintiff's Attorneys' Fees and reimbursement of reasonable Litigation Expenses and Administration, Notice, and Distribution Costs, and Class Representative's 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 Defendants and is therefore a final appealable 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.

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

IT IS SO ORDERED this \_\_\_\_ day of \_\_\_\_\_, [Year].

---

[NAME]  
UNITED STATES MAGISTRATE JUDGE

**Approved as to Form:**

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**COUNSEL FOR DEFENDANTS**

### Exhibit 3

*A federal court authorized this notice.  
This is **not** a solicitation from a lawyer.*

**If You Are or Were an Owner Paid by Devon Energy for Oil-and-Gas Production Proceeds from an Oklahoma Oil-and-Gas Well, You Could Be a Part of a Proposed Class Action Settlement.**

**Who Is Included?**

You may be a member of the Settlement Class if, from October 1, 2011, through the end of the Claim Period, you (1) (i) received payments from Defendants (or Defendants' designee) for oil, gas, or natural gas liquids proceeds from Oklahoma wells or (ii) whose proceeds were remitted to unclaimed property divisions of any government entity by Defendants and (2) whose payments or whose unclaimed property payments did not include statutory interest. The Settlement Class includes owners of royalty interests, overriding royalty interests, and working interests. Defendants means Devon Energy Corporation and Devon Energy Production Company, L.P. The Class has been preliminarily approved for settlement only. There are exclusions.

*Cowan-Devon Energy Settlement*  
c/o JND Legal Administration  
PO Box 91306  
Seattle, WA 98111

ID: «CF\_PRINTED\_ID»

«CF\_NAME1»  
«CF\_NAME2»  
«CF\_CARE\_OF\_NAME»  
«CF\_ADDRESS\_1»  
«CF\_ADDRESS\_2»  
«CF\_CITY»«CF\_STATE»«CF\_ZIP»  
«CF\_COUNTRY»

There is a proposed Settlement in a putative class action lawsuit filed against Devon Energy Corporation and Devon Energy Production Company, L.P. ("Defendants") called *Cowan v. Devon Energy Corp., et al.*, Case No. 22-CV-\_\_\_\_\_, in the U.S. District Court for the Eastern District of Oklahoma. The Lawsuit claims Defendants failed to pay statutory interest on payments made outside the time periods of the Production Revenue Standards Act ("PRSA") for oil-and-gas production proceeds from wells in Oklahoma.

**Why am I receiving this notice?**

Defendants' records indicate you may be a member of the Settlement Class.

**What does the settlement provide?**

The proposed Settlement provides monetary benefits of \$25,000,000.00 that will be distributed according to the terms of the Settlement Agreement, the documents referenced in and exhibits to the Settlement Agreement, and orders from the Court. Plaintiff's Counsel will seek attorneys' fees up to 40% of the cash settlement, plus reimbursement of litigation expenses and administration costs, all to be paid from the Settlement. Plaintiff will seek a contribution award of up to \$250,000.00 from the Settlement.

**What are my legal rights?**

You do not have to do anything to stay in the Settlement Class and receive the benefits of the proposed Settlement. If you stay in the Settlement Class, you may also object to the proposed Settlement by following the instructions from the Court (available on the website) by \_\_\_\_\_, \_\_\_\_\_. If you stay in the Settlement Class, you will be bound by all orders and judgments of the Court, and you will not be able to sue, or continue to sue, Defendants or others identified in the Settlement Agreement from claims described therein. You may appear through an attorney if you so desire.

**What are my other options?**

If you do not wish to participate in or be legally bound by the proposed Settlement, you may exclude yourself by opting out no later than \_\_\_\_\_, \_\_\_\_\_, by following the instructions from the Court (available on the website). If you opt out, you will not receive any benefits from the Settlement and will not be bound by it or the judgment in this case.

**When will the Court decide whether to approve the proposed Settlement?**

A Final Fairness Hearing has been scheduled for \_\_\_\_\_, \_\_\_\_\_, at \_\_\_\_\_:00 \_\_\_\_\_m. CT at the United States District Court for the Eastern District of Oklahoma, 101 North 5th Street, Muskogee, Oklahoma 74401. You are not required to attend the hearing, but you or your lawyer may do so if you wish.

**THIS IS ONLY A SUMMARY. TO GET A COPY OF THE LONG-FORM NOTICE OR FOR MORE INFORMATION, VISIT [WWW.COWAN-DEVON.COM](http://WWW.COWAN-DEVON.COM) OR CALL TOLL-FREE 1-855-579-1259**

**Exhibit 4**

**IN THE UNITED STATES DISTRICT COURT FOR THE  
EASTERN DISTRICT OF OKLAHOMA**

Chuck Travis Cowan, on behalf of himself  
and all others similarly situated,

Plaintiff,

v.

Devon Energy Corporation, et al.,

Defendants.

Case No. 22-CV-\_\_\_\_-\_\_\_\_

**NOTICE OF PROPOSED SETTLEMENT,  
MOTION FOR ATTORNEYS' FEES AND COSTS,  
CASE CONTRIBUTION AWARD, AND FAIRNESS HEARING**

*A court authorized this Notice. This is not a solicitation from a lawyer.*

***If you belong to the Settlement Class and this Settlement is approved,  
your legal rights will be affected.***

Read this Notice carefully to see what your rights are in connection with this Settlement.<sup>1</sup>

Because you may be a member of the Settlement Class in the Litigation captioned above and described below (“the Litigation”), the Court has directed this Notice to be provided for you. Defendants Devon Energy Corporation and Devon Energy Production Company, L.P.’s (“Defendants” or “Devon”) records show you are an owner in Oklahoma well(s) for which Devon remitted oil-and-gas proceeds. Capitalized terms not otherwise defined in this Notice shall have the meanings attributed to those terms in the Settlement Agreement referred to below and available at [www.cowan-devon.com](http://www.cowan-devon.com).

This Notice generally explains the claims being asserted in the Litigation, summarizes the Settlement, and tells you about your rights to remain a Class Member or to timely and properly submit a Request for Exclusion (also known as an “opt out”) so that you will be excluded from the Settlement. This Notice provides information so you can decide what action you want to take with

<sup>1</sup> This Notice is a summary of the terms of the Settlement Agreement in this matter. Please refer to the Settlement Agreement for a complete description of the terms and provisions thereof. A copy of the Settlement Agreement is available for free at [www.cowan-devon.com](http://www.cowan-devon.com). The terms, conditions, and definitions in the Settlement Agreement qualify this Notice in its entirety.

respect to the Settlement before the Court is asked to finally approve it. If the Court approves the Settlement and after the final resolution of any objections or appeals, the Court-appointed Settlement Administrator will issue payments to final Class Members, without any further action from you. This Notice describes the lawsuit, the Settlement, your legal rights, what benefits are available, who is eligible for them, and how to get them.

The Settlement Class in the Litigation consists of the following individuals and entities:

All non-excluded persons or entities who, during the Claim Period: (1) (i) received payments from Defendants (or Defendants' de-signee) for oil, gas, or natural gas liquids proceeds from Oklahoma wells or (ii) whose proceeds were remitted to unclaimed property divisions of any government entity by Defendants and (2) whose payments or whose unclaimed property payments did not include statutory interest. The Settlement Class includes owners of royalty interests, overriding royalty interests, and working interests.

Excluded from the Class are: (1) Defendants, their affiliates, predecessors, and employees, officers, and directors; (2) agencies, departments, or instrumentalities of the United States of America or the State of Oklahoma; (3) publicly traded oil-and-gas companies and their affiliates; (4) persons or entities that Plaintiff's counsel may be prohibited from representing under Rule 1.7 of the Oklahoma Rules of Professional Conduct; (5) any Indian tribe as defined at 30 U.S.C. § 1702(4) or Indian allottee as defined at 30 U.S.C. § 1702(2); and (6) officers of the Court.

The Claim Period is the time period between and including October 1, 2011, through the expiration of one-hundred-twenty (120) days following execution of the Settlement Agreement (i.e. November 19, 2022), subject to the terms of the Settlement Agreement regarding Released Claims. If you are unsure whether you are included in the Settlement Class, you may contact the Settlement Administrator at:

*Cowan v. Devon Energy*  
c/o JND Legal Administration, Settlement Administrator  
P.O. Box 91306  
Seattle, WA 98111  
**Call Toll-Free: 1-855-579-1259**

**TO OBTAIN THE BENEFITS OF THIS PROPOSED SETTLEMENT, YOU DO NOT HAVE TO DO ANYTHING.**

**I. General Information About the Litigation**

The Litigation seeks damages for Defendants' alleged failure to pay statutory interest on allegedly late payments under Oklahoma law. Defendants expressly deny all allegations of wrongdoing or liability with respect to the claims and allegations in the Litigation. The Court has made



no determination with respect to the merits of any of the parties' claims or defenses. A more complete description of the Litigation, its status, and the rulings made in the Litigation are available in the pleadings and other papers maintained by the United States District Court for the Eastern District of Oklahoma in the file for the Litigation.

**II. The Settlement, Attorneys' Fees, Litigation Expenses, Administration, Notice, and Distribution Costs, a Case Contribution Award, And The Settlement Allocation And Distribution To The Class**

On [Month] [Date], 2022, the Court preliminarily approved a Settlement in the Litigation between Plaintiff, on behalf of itself and the Settlement Class, and Defendants. This approval and this Notice are not an expression of opinion by the Court as to the merits of any of the claims or defenses asserted by any of the parties to the Litigation, or of whether the Court will ultimately approve the Settlement Agreement.

In settlement of all claims alleged in the Litigation, Defendants have agreed to pay Twenty-Five Million Dollars (\$25,000,000.00) in cash ("Gross Settlement Fund"). In exchange for the payment noted above and other consideration outlined in the Settlement Agreement, the Settlement Class shall release the Released Claims (as defined in the Settlement Agreement available for review and download at [www.cowan-devon.com](http://www.cowan-devon.com)) against the Released Parties (as defined in the Settlement Agreement). The \$25,000,000.00 cash payment is referred to as the "Gross Settlement Fund." The Gross Settlement Fund, less Plaintiff's Attorneys' Fees, Litigation Expenses and Administration, Notice, and Distribution Costs, and a Case Contribution Award, and other costs approved by the Court (the "Net Settlement Fund"), will be distributed to final Class Members pursuant to the terms of the Settlement Agreement. The Settlement Agreement also includes Future Benefits for the Settlement Class.

Class Counsel intends to seek an award of Plaintiff's Attorneys' Fees of not more than 40% of the Gross Settlement Fund. Co-Lead Class Counsel Reagan E. Bradford and Ryan K. Wilson of Bradford & Wilson, PLLC, have been litigating this case without any payment whatsoever for over five years, advancing hundreds of thousands of dollars in expenses and thousands of hours of legal time. At the Final Fairness Hearing, Class Counsel will also seek reimbursement of the litigation and administration expenses incurred in connection with the prosecution of this Litigation and that will be incurred through final distribution of the Settlement, which is estimated to be approximately \$450,000.00. In addition, Plaintiff intends to seek a case contribution award for his representation of the Class, which amount will not exceed \$250,000.00, to compensate Plaintiff for his time, expense, risk and burden as serving as Class Representative.

The Court must approve the Allocation Methodology, which describes how the Settlement Administrator will allocate the Net Settlement Fund. The Net Settlement Fund will be distributed by the Settlement Administrator after the Effective Date of the Settlement. The Effective Date requires the exhaustion of any appeals, which may take a year or more after the entry of Judgment. The Settlement may be terminated on several grounds, including if the Court does not approve or materially modifies the terms of the Settlement. If the Settlement is terminated, the Litigation will proceed as if the Settlement had not been reached.

This Notice does not and cannot set out all the terms of the Settlement Agreement, which is available for review at [www.cowan-devon.com](http://www.cowan-devon.com). This website will eventually include this Notice, the Initial Plan of Allocation, and Class Counsel's application for Plaintiff's Attorneys' Fees and Litigation Expenses and other costs. You may also receive information about the progress of the Settlement by visiting the website at [www.cowan-devon.com](http://www.cowan-devon.com), or by contacting the Settlement Administrator at the address set forth above.

### **III. Class Settlement Fairness Hearing**

The Final Fairness Hearing will be held on [Month] [Date], [Year], beginning at \_\_.m., before the Honorable \_\_\_\_\_, U.S. Magistrate Judge for the Eastern District of Oklahoma, 101 North 5th Street, Muskogee, OK 74401. Please note that the date of the Fairness Hearing is subject to change without further notice. You should check [www.cowan-devon.com](http://www.cowan-devon.com) to confirm no change to the date and time of the hearing has been made. At the Fairness Hearing, the Court will consider: (a) whether the Settlement is fair, reasonable, and adequate; (b) any timely and properly raised objections to the Settlement; (c) the Allocation Methodology; (d) the application for Plaintiff's Attorneys' Fees and Litigation Expenses and Administration, Notice, and Distribution Costs; and (e) the application for a Case Contribution Award for the Class Representative.

**A CLASS MEMBER WHO WISHES TO PARTICIPATE IN THE SETTLEMENT AND DOES NOT SUBMIT A VALID REQUEST FOR EXCLUSION DOES NOT NEED TO APPEAR AT THE FINAL FAIRNESS HEARING OR TAKE ANY OTHER ACTION TO PARTICIPATE IN THE SETTLEMENT.**

### **IV. What Are Your Options As A Class Member?**

#### **A. You Can Participate in the Class Settlement by Doing Nothing**

By taking no action, your interests will be represented by Plaintiff as the Class Representative and Plaintiff's Counsel. As a Class Member, you will be bound by the outcome of the Settlement, if finally approved by the Court. The Class Representative and Plaintiff's Counsel believe that the Settlement is in the best interest of the Class, and, therefore, they intend to support the proposed Settlement at the Final Fairness Hearing. As a Class Member, if you are entitled to a distribution pursuant to the Allocation Methodology, you will receive your portion of the Net Settlement Fund, and you will be bound by the Settlement Agreement and all orders and judgments entered by the Court regarding the Settlement. If the Settlement is approved, unless you exclude yourself from the Settlement Class, neither you nor any other Releasing Party will be able to start a lawsuit or arbitration, continue a lawsuit or arbitration, or be part of any other lawsuit against any of the Released Parties based on any of the Released Claims.

#### **B. You May Submit a Request for Exclusion to Opt-Out of the Settlement Class**

If you do not wish to be a member of the Settlement Class, then you must exclude yourself from the Settlement Class. All Requests for Exclusion must include: (i) the Class Member's name, address, telephone number, and notarized signature; (ii) a statement that the Class Member wishes

to be excluded from the Settlement Class in *Cowan v. Devon Energy Corp., et al.*; and (iii) a description of the Class Member's interest in any wells for which it has received payments from Defendants, including the name, well number, county in which the well is located, and the owner identification number. Requests for Exclusion must be served on the Settlement Administrator, Defendants' Counsel, and Plaintiff's Counsel by certified mail, return receipt requested and received no later than 5 p.m. CT on [Month] [Date], [Year]. Requests for Exclusion may be mailed as follows:

**Settlement Administrator:**

Cowan v. Devon Energy Settlement  
c/o JND Class Action Administration, Settlement Administrator  
P.O. Box 91306  
Seattle, WA 98111

**Co-Lead Class Counsel:**

Reagan E. Bradford  
Ryan K. Wilson  
Bradford & Wilson PLLC  
431 W. Main Street, Suite D  
Oklahoma City, OK 73102

**Defendants' Counsel:**

Jeffrey C. King  
Elizabeth L. Tiblets  
K&L Gates LLP  
301 Commerce Street, Suite 3000  
Fort Worth, Texas 76102

Timothy J. Bomhoff  
MCAFEE & TAFT, A Professional Corporation  
Eighth Floor, Two Leadership Square  
211 N. Robinson Ave.  
Oklahoma City, OK 73102

**If you do not follow these procedures—including mailing the Request for Exclusion so that it is received by the deadline set out above—you will not be excluded from the Settlement Class, and you will be bound by all of the orders and judgments entered by the Court regarding the Settlement, including the release of claims.** You must exclude yourself even if you already have a pending case against any of the Released Parties based upon any Released Claims during the Claim Period. You cannot exclude yourself on the website, by telephone, facsimile, or by e-mail. If you validly request exclusion as described above, you will not receive any distribution from the Net Settlement Fund, you cannot object to the Settlement, and you will not have released any claim against the Released Parties. You will not be legally bound by anything that happens in the Litigation.

**C. You May Remain a Member of the Settlement Class, but Object to the Settlement, Allocation Methodology, Initial Plan of Allocation, Plaintiff’s Attorneys’ Fees, Litigation Expenses, Administration, Notice, and Distribution Costs, or Case Contribution Award**

Any Class Member who wishes to object to the fairness, reasonableness, or adequacy of the Settlement, any term of the Settlement, the Allocation Methodology, the Initial Plan of Allocation, the request for Plaintiff’s Attorneys’ Fees and Litigation Expenses and Administration, Notice, and Distribution Costs, or the request for a Case Contribution Award to Class Representative may file an objection. An objector must file with the Court and serve upon Class Counsel and Defendants’ Counsel a written objection containing the following: (a) a heading referring to *Cowan v. Devon Energy Corp., et al.*, Case No. 22-CV-\_\_\_ - \_\_\_, United States District Court for the Eastern District of Oklahoma; (b) a statement as to whether the objector intends to appear at the Final Fairness Hearing, either in person or through counsel, and, if through counsel, counsel must be identified by name, address, and telephone number; (c) a detailed statement of the specific legal and factual basis for each and every objection; (d) a list of any witnesses the objector may call at the Final Fairness Hearing, together with a brief summary of each witness’s expected testimony (to the extent the objector desires to offer expert testimony and/or an expert report, any such evidence must fully comply with the Federal Rules of Civil Procedure, Federal Rules of Evidence, and the Local Rules of the Court); (e) a list of and copies of any exhibits the objector may seek to use at the Final Fairness Hearing; (f) a list of any legal authority the objector may present at the Final Fairness Hearing; (g) the objector’s name, current address, current telephone number, and all owner identification numbers with Defendants; (h) the objector’s signature executed before a Notary Public; (i) identification of the objector’s interest in wells for which Defendants remitted oil-and-gas proceeds (by well name, payee well number, and county in which the well is located) during the Claim Period and identification of any payments by date of payment, date of production, and amount; and (j) if the objector is objecting to any portion of the Plaintiff’s Attorneys’ Fees or Litigation Expenses and Administration, Notice, and Distribution Costs, or a Case Contribution Award sought by Class Representative or Class Counsel on the basis that the amounts requested are unreasonably high, the objector must specifically state the portion of such requests he/she/it believes is fair and reasonable and the portion that is not. Such written objections must be filed with the Court and served on Plaintiff’s Counsel and Defendants’ Counsel, via certified mail return receipt requested, and received no later than 5 p.m. CT by [Month] [Date], [Year], at the addresses set forth above. Any Class Member that fails to timely file the written objection statement and provide the required information will not be permitted to present any objections at the Final Fairness Hearing. Your written objection must be timely filed with the Court at the address below:

Clerk of the Court  
United States District Court for the Eastern District of Oklahoma  
101 North 5th Street  
Muskogee, OK 74401

**UNLESS OTHERWISE ORDERED BY THE COURT, ANY SETTLEMENT CLASS MEMBER WHO DOES NOT OBJECT IN THE MANNER DESCRIBED HEREIN WILL BE DEEMED TO HAVE WAIVED ANY OBJECTION AND SHALL BE FOREVER FORECLOSED FROM MAKING ANY OBJECTON TO THE SETTLEMENT (OR ANY**

**PART THEREOF) AND WILL NOT BE ALLOWED TO PRESENT ANY OBJECTIONS AT THE FINAL FAIRNESS HEARING.**

**D. You May Retain Your Own Attorney to Represent You at the Final Fairness Hearing**

You have the right to retain your own attorney to represent you at the Final Fairness Hearing. If you retain separate counsel, you will be responsible to pay his or her fees and expenses out of your own pocket.

**V. Availability of Filed Papers And More Information**

This Notice summarizes the Settlement Agreement, which sets out all of its terms. You may obtain a copy of the Settlement Agreement with its exhibits, as well as other relevant documents, from the settlement website for free at [www.cowan-devon.com](http://www.cowan-devon.com), or you may request copies by contacting the Settlement Administrator as set forth above. In addition, the pleadings and other papers filed in this Action, including the Settlement Agreement, are available for inspection in at the Office of the Clerk of the Court, set forth above, and may be obtained by the Clerk's office directly. The records are also available on-line for a fee through the PACER service at [www.pacer.gov/](http://www.pacer.gov/). If you have any questions about this Notice, you may consult an attorney of your own choosing at your own expense or Class Counsel.

**PLEASE DO *NOT* CONTACT THE JUDGE OR THE COURT CLERK ASKING FOR INFORMATION REGARDING THIS NOTICE.**

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[NAME]  
UNITED STATES MAGISTRATE JUDGE

## Exhibit 5

### **If You Are or Were an Owner Paid by Devon Energy for Oil-and-Gas Production Proceeds from an Oklahoma Oil-and-Gas Well, You Could Be a Part of a Proposed Class Action Settlement**

The Settlement Class includes, subject to certain excluded persons or entities as detailed in the Settlement Agreement:

All non-excluded persons or entities who, during the Claim Period: (1) (i) received payments from Defendants (or Defendants' de-signee) for oil, gas, or natural gas liquids proceeds from Oklahoma wells or (i) whose proceeds were remitted to unclaimed property divisions of any government entity by Defendants and (2) whose payments or whose unclaimed property payments did not include statutory interest. The Settlement Class includes owners of royalty interests, overriding royalty interests, and working interests.

Excluded from the Class are: (1) Defendants, their affiliates, predecessors, and employees, officers, and directors; (2) agencies, departments, or instrumentalities of the United States of America or the State of Oklahoma; (3) publicly traded oil-and-gas companies and their affiliates; (4) persons or entities that Plaintiff's counsel may be prohibited from representing under Rule 1.7 of the Oklahoma Rules of Professional Conduct; (5) any Indian tribe as defined at 30 U.S.C. § 1702(4) or Indian allottee as defined at 30 U.S.C. § 1702(2); and (6) officers of the Court.

The Litigation seeks damages for Defendants' alleged failure to pay statutory interest on allegedly late payments under Oklahoma law. Defendants expressly deny all allegations of wrongdoing or liability with respect to the claims and allegations in the Litigation. The Court did not decide which side is right. Defendants means Devon Energy Corporation and Devon Energy Production Company, L.P.

On [Month] [Date], 2022, the Court preliminarily approved a Settlement in which Defendants have agreed to pay Twenty-Five Million Dollars (\$25,000,000.00) in cash (the "Gross Settlement Fund"). From the Gross Settlement Fund, the Court may deduct Plaintiff's Attorneys' Fees and Litigation Expenses, a Case Contribution Award, and any settlement Administration, Notice, and Distribution Costs. The remainder of the fund (the "Net Settlement Fund") will be distributed to participating Class Members as provided in the Settlement Agreement. Complete information on the benefits of the Settlement, including information on the distribution of the Net Settlement Fund, can be found in the Settlement Agreement posted on the website listed below. In exchange, Class Members will release Defendants and others identified in the Settlement Agreement from the claims described in the Settlement Agreement. The Settlement Agreement also includes Future Benefits for the Settlement Class.

The attorneys and law firms who represent the Class as Class Counsel are Reagan E. Bradford and Ryan K. Wilson of Bradford & Wilson PLLC as Co-Lead Class Counsel. You may hire your own attorney, if you wish. However, you will be responsible for that attorney's fees and expenses.

### What Are My Legal Rights?

- **Do Nothing, Stay in the Class, and Receive Benefits of the Settlement:** If the Court approves the proposed Settlement, you or your successors, if eligible, will receive the benefits of the proposed Settlement.
- **Stay in the Settlement Class, But Object to All or Part of the Settlement:** You can file and serve a written objection to the Settlement and appear before the Court. Your written objection must contain the information described in the Notice of Settlement found at the website listed below and must be filed with the Court no later than [Month] [Date], [Year], at 5 p.m. CT.
- **Exclude Yourself from the Settlement Class:** To exclude yourself from the Settlement Class, you must serve a Request for Exclusion. Your Request for Exclusion must contain the information described in the Notice of Settlement found at the website listed below and must be received no later than [Month] [Date], [Year], at 5 p.m. CT. You cannot exclude yourself on the website, by telephone, or by email.

The Court will hold a Final Fairness Hearing on [Month] [Date], [Year], at \_\_\_\_\_.m. CT at the United States District Court for the Eastern District of Oklahoma. At the Hearing, the Court will consider whether the proposed Settlement is fair, reasonable, and adequate. The Court will also consider the application for Plaintiff's Attorneys' Fees and Litigation Expenses and other costs, including a Case Contribution Award. If objections have been submitted in the manner required, the Court will consider them as well. Please note that the date of the Final Fairness Hearing is subject to change without further notice. If you plan to attend the Hearing, you should check [www.cowan-devon.com](http://www.cowan-devon.com) to confirm no change to the date and time of the Hearing has been made.

**This notice provides only a summary. For more detailed information regarding the rights and obligations of Settlement Class Members, read the Notice of Settlement, Settlement Agreement and other documents posted on the website or contact the Settlement Administrator.**

**Visit:** [www.cowan-devon.com](http://www.cowan-devon.com)

**Call Toll-Free:** 1-855-579-1259

**Or write to:** *Cowan v. Devon Energy*

c/o JND Legal Administration, Settlement Administrator

P.O. Box 91306

Seattle, WA 98111

**Exhibit 5**

**IN THE UNITED STATES DISTRICT COURT FOR THE  
EASTERN DISTRICT OF OKLAHOMA**

Chuck Travis Cowan, on behalf of himself  
and all others similarly situated,

Plaintiff,

v.

Devon Energy Corporation; and Devon  
Energy Production Company, L.P.,

Defendants.

Case No. 22-CV-\_\_\_\_-\_\_\_\_

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**CLASS ACTION COMPLAINT**

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Chuck Travis Cowan (“Plaintiff” or “Cowan”), on behalf of himself and the Class of all other persons similarly situated, file this Class Action Complaint against Devon Energy Corporation and Devon Energy Production Company, L.P. (collectively, “Devon”), and alleges and states as follows:

**SUMMARY OF ACTION**

1. This class action suit concerns Devon’s willful and ongoing violations of Oklahoma law related to payment of oil and gas production proceeds (“O&G Proceeds”) to persons with a legal interest in the mineral acreage under a well which entitles such person(s) (*i.e.*, the “Owner”) to payments of O&G Proceeds.

2. Plaintiff is an Owner in an oil and gas well in Oklahoma in which Devon has incurred an obligation to pay O&G Proceeds. Devon is the operator of the well and pays royalty to Plaintiff and is statutorily obligated to pay interest to Plaintiff.



3. The oil and gas industry has historically been rife with abuse by lessees and operators who routinely delay and/or suspend payments to Owners to, among other things, obtain interest free loans at the expense of Owners. Because of the lessee's or operator's control over the relationship, they are able to easily and successfully employ such schemes.

4. Oklahoma law attempts to redress and/or prevent such abuses by requiring companies, including Devon, to pay interest on "proceeds from the sale of oil or gas production or some portion of such proceeds [that] are not paid prior to the end of the applicable time periods provided" by statute ("Untimely Payments"). OKLA. STAT. tit. 52, § 570.10(D); *see generally*, OKLA. STAT. tit. 52, § 570, *et seq.* (the "Production Revenue Standards Act" or the "Act").

5. The Act gives Owners a uniform, absolute right to interest on Untimely Payments, regardless of whether such payments were previously suspended to address title marketability issues, or any other reason such payments were not made within the time limits required by the Act. The plain language of the Act imposes an obligation to include interest on Untimely Payments. Compliance with this statutory requirement is not optional and does not require a prior written or oral demand by Owners.

6. Devon is well aware of its obligations to pay the required interest on Untimely Payments. Nevertheless, in violation of Oklahoma law, Devon ignored its obligation to pay interest on Untimely Payments made to Plaintiff. Indeed, on information and belief, Devon routinely delays payment of production proceeds and denies Owners the interest payments to which they are entitled as part of an overarching scheme to avoid its obligations under Oklahoma law.

7. Accordingly, Plaintiff files this Class Action Complaint against Devon to obtain relief on behalf of all similarly situated Owners, as defined below.

8. Plaintiff files this Class Action Complaint against Devon for breach of its statutory obligation to pay interest and fraud. Additionally, Plaintiff seeks an accounting, disgorgement, and injunctive relief against Devon.

### **PARTIES**

9. Plaintiff is a resident and citizen of the State of Oklahoma.

10. Plaintiff is an Owner in an Oklahoma well and is entitled to payment of O&G Proceeds therefrom.

11. Devon Energy Corporation is a corporation organized under Delaware law with its principal place of business in Oklahoma and may be served with process by serving its registered agent, The Corporation Company, 1833 S. Morgan Road, Oklahoma City, OK 73128.

12. Devon Energy Production Company, L.P., a wholly owned subsidiary and instrumentality of Devon Energy Corporation, is a limited partnership organized under Oklahoma law with its principal place of business in Oklahoma and may be served with process by serving its registered agent, The Corporation Company, 1833 S. Morgan Road, Oklahoma City, OK 73128.

13. At all times relevant to the claims asserted herein, Devon is/was a producing owner or operator of oil and/or gas wells in the State of Oklahoma. Devon is obligated to pay O&G Proceeds to Plaintiff and the putative class.

## **JURISDICTION AND VENUE**

14. This Court has original jurisdiction over the claims asserted in this complaint pursuant to 28 U.S.C. § 1332(d) because this is a class action in which the amount in controversy exceeds the sum of \$5,000,000, and because members of the class and Defendants are citizens of different states.

15. This Court has personal jurisdiction over Devon because it operates in Oklahoma and because it distributes oil-and-gas proceeds across Oklahoma. Plaintiff and Defendants have also agreed to the filing of this action in this District.

16. Venue is proper in this District pursuant to 28 U.S.C. § 1391 because a substantial part of the events or omissions giving rise to this claim occurred in, or a substantial part of property that is the subject of this action is situated in, this District, and because Plaintiff and Defendants have agreed to venue in this District.

## **CLASS ACTION ALLEGATIONS**

17. The allegations set forth above are incorporated herein by reference.

18. Plaintiff brings this action on behalf of himself and as a class action pursuant to Rule 23(a) and (b)(3) of the Federal Rules of Civil Procedure on behalf of the following class (the “Class”):

All non-excluded persons or entities who, during the Claim Period: (1) (i) received payments from Defendants (or Defendants’ de-signee) for oil, gas, or natural gas liquids proceeds from Oklahoma wells or (ii) whose proceeds were remitted to unclaimed property divisions of any government entity by Defendants; and (2) whose payments or whose unclaimed property payments did not include statutory interest.

Excluded from the Class are: (1) Defendants, their affiliates, predecessors, and employees, officers, and directors; (2) agencies, departments, or instrumentalities of the United States of America or the State of Oklahoma; (3) publicly traded oil-and-gas companies and their affiliates; (4) persons or entities that

Plaintiff's counsel may be prohibited from representing un-der Rule 1.7 of the Oklahoma Rules of Professional Conduct; (5) any Indian tribe as defined at 30 U.S.C. § 1702(4) or Indian allottee as defined at 30 U.S.C. § 1702(2); and (6) officers of the Court.

19. The Claim Period means the time period between and including October 1, 2011, through the expiration of one-hundred-twenty (120) days following execution of the Settlement Agreement for this matter (i.e. November 19, 2022).

20. Upon information and belief, absent Class members who are entitled to interest owing on Devon's Untimely Payments number in the thousands. Therefore, the Class is so numerous that joinder of all members is impracticable.

21. The questions of fact and law common to the Class, include:

- a. Whether Plaintiff and the Class own legal interests in the Oklahoma mineral acreage upon which Devon has an obligation to pay O&G Proceeds;
- b. Whether, under Oklahoma law, Devon owed interest to Plaintiff and the Class on any Untimely Payments;
- c. Whether Devon's failure to pay interest to Plaintiff and the Class on any Untimely Payments constitutes a violation of the Act;
- d. Whether Devon defrauded Plaintiff and the Class by knowingly withholding statutory interest; and
- e. Whether Devon is obligated to pay interest on future Untimely Payments.

22. Plaintiff's claims are typical of the Class' claims because the claims are identical for each Class member.

23. Devon treated Plaintiff and the Class in the same way by failing to pay the required interest on Untimely Payments.

24. Plaintiff will fairly and adequately protect the interests of the Class. Plaintiff's interests do not conflict with the interests of the Class. Plaintiff is represented by counsel who

are skilled and experienced in oil and gas matters, accounting, and complex civil litigation, including class and mass actions.

25. The averments of fact and questions of law herein, which are common to the members of the Class, predominate over any questions affecting only individual members.

26. A class action is superior to other available methods for the fair and efficient adjudication of this controversy for the following reasons:

- a. The questions of law and fact are so uniform across the Class that there is no reason why individual members of the Class would want to control the prosecution of their own actions, at their own expense;
- b. To Plaintiff's knowledge, there is no pending litigation by any individual Class member, with the same scope of Class membership sought herein, against Devon relating to Devon's failure to pay interest owing on the Untimely Payments of O&G Proceeds as required by law;
- c. The interests of all parties and the judiciary in resolving these matters in one forum without the need for multiplicity of actions is great;
- d. The difficulties in managing this case as a class action will be slight in relation to the personal benefits to be achieved on behalf of each and every Class member, and not just those who can afford to bring their own actions; and
- e. Absent a class action, Plaintiff and the Class members may never discover the wrongful acts of Devon, the extent of their respective financial losses, or the financial benefit they are unwittingly providing to Devon.

#### **GENERAL ALLEGATIONS AND FACTUAL BACKGROUND**

27. The allegations set forth above are incorporated herein by reference.

28. Devon owned and/or operated (and/or Devon owned a working interest in) numerous oil and/or gas wells throughout Oklahoma. Devon owed payments of O&G Proceeds to Plaintiff and Class members as a result of the mineral production from such wells.

29. "For decades, oil and gas producers or first purchasers would for various reasons delay or decline to distribute the proceeds from the first sale to interest owners and use

those funds for their own purposes until they were ultimately distributed, if at all.” 2015 OK AG 6 at ¶ 2 (Sep. 1, 2015) (*citing* Si M. Bondurant, *To Have and to Hold: The Use and Abuse of Oil and Gas Suspense Accounts*, 31 Okla. City U. L. Rev. 1, 4 (2006)). Holders of the production proceeds frequently and intentionally avoided making any reasonable efforts to locate interest owners or notify them of their interest. *See id.* Instead, they would “suspend” their royalty payments until demanded and, in the meanwhile, gain the benefit of the possession of those funds. *See id.* Moreover, even when they eventually made the royalty payments, the holders often would not pay interest. *See id.* “[T]here was a great incentive to delay royalty payments” and “many producers routinely suspended royalties and delayed payment for many months and even years to take advantage of the interest earned during the float between the receipt of sales proceeds and disbursement of royalties.” *See id.* (*citing* Bondurant at 18). This not only deprived interest owners of the time-value of the money owed to them, it also gave rise to “an ever increasing case load of litigation between royalty owners and purchasers...precipitated by the use of suspense accounts.” *Id.* (*citing* *Hull v. Sun Refining & Mktg. Co.*, 1989 OK 168, ¶ 9, 789 P.2d 1272, 1277).

30. As a result of this conduct, many states, including Oklahoma, enacted statutes to curtail this abuse. In Oklahoma, the Act requires Devon to make payments within certain time periods. Further, the Act requires Devon to pay interest on any Untimely Payments, regardless of the reasons why such payments were delayed. The Act gives Owners an absolute right to interest on Untimely Payments. The plain language of this statute imposes an obligation to include interest on Untimely Payments. Compliance with this statute is not optional and does not require a prior written or oral demand by royalty owners.

31. Plaintiff and Class members were entitled to payment of O&G Proceeds from Devon and, pursuant to the Act, were further entitled to interest on any Untimely Payments from Devon.

32. Plaintiff and Class members placed their trust and confidence in Devon to pay them the O&G Proceeds to which they were entitled, including any interest owed thereon. Devon had superior access to information regarding O&G Proceeds and the amounts it owed to Plaintiff and the Class, including interest, on Untimely Payments.

33. When Devon made Untimely Payments to Plaintiff and Class members, Devon failed to pay the interest owed pursuant to the Act. Indeed, on information and belief, Devon's failure to pay the statutorily required interest on Untimely Payments continues to this day as part of an ongoing scheme to avoid paying money clearly owed under Oklahoma law.

34. Devon is not permitted to take advantage of its relationship with Plaintiff and Class members to realize unauthorized benefits or profits at the expense of Plaintiff and the Class. Devon has used its position as the holder of Plaintiff's and the Class' O&G Proceeds to avoid its statutory obligation to pay the statutory interest due to Plaintiff and the Class in the event of Untimely Payments. As such, Devon has improperly treated Plaintiff's and the Class' O&G Proceeds as an interest-free loan without their consent.

35. Upon information and belief, Devon ignored its obligation under the Act to regard the O&G Proceeds it owed to Plaintiff and the Class as separate and distinct from Devon's other cash assets. Rather, these proceeds were comingled with Devon's other cash assets. As such, Devon improperly, unfairly and in violation of the law profited from its deliberate refusal to pay statutory interest to Plaintiff and the Class.

36. In short, Devon blatantly ignored Oklahoma law regarding the payment of interest on Untimely Payments. Further, Devon did not hold the O&G Proceeds for the benefit of the owners legally entitled thereto (*i.e.* Plaintiff and the Class) and, instead, held the O&G Proceeds for its own benefit. Devon has abused its position with Plaintiff and the Class.

37. Plaintiff and the Class have been damaged by Devon's unlawful acts and omissions.

38. Devon's wrongdoing – which is in clear violation of Oklahoma law – is ongoing and continues to this day.

## **CAUSES OF ACTION**

### **I. BREACH OF STATUTORY OBLIGATION TO PAY INTEREST**

39. The allegations set forth above are incorporated herein by reference.

40. Plaintiff brings this cause of action on behalf of himself and the Class.

41. Plaintiff and the Class were legally entitled to the payment of O&G Proceeds from Devon for wells owned and/or operated by Devon in Oklahoma.

42. Section 570.10 of the Act requires Devon to hold O&G Proceeds from the sale of oil and/or gas production for the benefit of the Owners legally entitled thereto.

43. Section 570.10 of the Act requires payment of O&G Proceeds to be made in a timely manner according to the applicable time periods set forth in the Act.

44. If the holder of any O&G Proceeds subject to the Act fails, for any reason, to make timely payments to persons entitled to receive such O&G Proceeds, the holder must pay interest on such O&G Proceeds when the payment is eventually made.

45. Devon held O&G Proceeds belonging to Plaintiff and the Class and Devon failed to timely pay O&G Proceeds owing to Plaintiff and the Class.



46. In violation of the Act, when Devon ultimately made its Untimely Payments to Plaintiff and the Class, Devon did not pay the interest owing on the Untimely Payments.

47. Devon's failure to pay interest owing on its Untimely Payments of O&G Proceeds was knowing and intentional and/or the result of Devon's gross negligence.

48. Devon's failure to pay interest owing on its Untimely Payments of O&G Proceeds has caused Plaintiff and the Class to suffer harm.

## **II. FRAUD**

49. The allegations set forth above are incorporated herein by reference.

50. Plaintiff brings this cause of action on behalf of himself and the Class.

51. Devon owned and/or operated (and/or Devon owned a working interest in) numerous oil and/or gas wells throughout Oklahoma. Thus, Devon knowingly and intentionally took on the duties associated with such interests, including the duty to pay O&G Proceeds to Owners in accordance with Oklahoma law.

52. Devon, however, took on such duties with the intent to deceive Owners and not pay the full O&G Proceeds owed. Specifically, Devon knew it owed interest on Untimely Payments, but knowingly and intentionally suppressed the fact that interest was owed to Plaintiff and the Class members. Further, Devon intended to avoid its obligation to pay the statutorily mandated interest and only pay when an Owner specifically requests payment of the statutory interest.

53. Plaintiff and the Class relied on and trusted Devon to pay them the full O&G Proceeds to which they were entitled under Oklahoma law.

54. Plaintiff and the Class have been damaged by Devon's actions and violations of law.

55. Devon's failure to pay the interest it owes to Plaintiff and the Class is a result of Devon's actual knowing and willful intent: (a) to deceive the members of the Class, and/or (b) to deprive such interest from persons Devon knows, or is aware, are legally entitled thereto. Thus, Devon should be required to pay punitive damages as a method of punishing Devon and setting an example of others.

### **III. ACCOUNTING AND DISGORGEMENT**

56. The allegations set forth above are incorporated herein by reference.

57. Plaintiff requests an accounting on behalf of himself and the Class.

58. Plaintiff requests the Court enter an order directing Devon to provide an accounting to Plaintiff and Class members which discloses: (a) the amount of accrued interest that Plaintiff and each Class member should have been paid by Devon, and (b) the method for calculating such amounts.

59. Devon's payment of interest owed to Plaintiff and the Class does not provide an adequate legal remedy for the wrongs committed by Devon because it will not deprive Devon of the ill-gotten gains it has obtained through its unlawful behavior.

60. The principles of equity and good conscience do not permit Devon to retain the benefits derived from its improper and unlawful use of interest owed on Untimely Payments made to Plaintiff and the Class.

61. Therefore, Plaintiff requests the Court enter an order directing Devon to disgorge itself of any benefits derived from its improper and unlawful use of Plaintiff's and the Class' interest payments, including but not limited to interest that has accrued on such interest since the time in which Devon made the Disputed Payments to Plaintiff and the Class.

#### **IV. INJUNCTIVE RELIEF**

62. The allegations set forth above are incorporated herein by reference.

63. Plaintiff seeks injunctive relief on behalf of himself and the Class.

64. Unless enjoined by this Court, Devon will continue its pattern and practice of failing to pay interest owed on Untimely Payments to Plaintiff and the Class members.

65. Devon has utilized its superior knowledge and control of information regarding Plaintiff's and the Class' entitlement to interest on Untimely Payments to engage in a fraudulent scheme with regard to its willful and intentional failure to pay such interest. As such, Devon's wrongdoing is ongoing, and injuries in the future by Plaintiff and the Class are irreparable in that the vast majority of Class members are unaware of their right to be paid interest.

66. There is no adequate and complete remedy at law for continuing violations of the Act by Devon.

67. Plaintiff requests the Court enter a permanent injunction, ordering Devon to pay interest as required by law when Devon makes future Untimely Payments to Plaintiff and the Class.

68. Devon will not suffer any harm as a result of granting the Class members' request for injunctive relief because Devon's compliance with the Court's order will be consistent with Devon's legal obligations and duties to Plaintiff and the Class.

#### **PRAYER FOR RELIEF**

Wherefore, premises considered, Plaintiff seeks:

1. An order certifying and allowing this case to proceed as a class action with Plaintiff as class representative and the undersigned counsel as class counsel;

2. An order requiring Devon to pay Plaintiff and Class members actual damages to fully compensate them for losses sustained as a direct, proximate, and/or producing cause of Devon's breaches and/or unlawful conduct including, without limitation, the compounded interest on Untimely Payments as required by law;
3. An order requiring Devon to provide Plaintiff and the Class with an accounting;
4. An order requiring Devon to disgorge itself of the ill-gotten gains it has obtained through the unlawful use of interest owed to Plaintiff and the Class;
5. An order requiring Devon to pay interest in the future, as required by law, to Plaintiff and the Class;
6. An order awarding punitive damages as determined by the jury and in accordance with Oklahoma law on each of Devon's wrongful acts, as alleged in this Class Action Complaint;
7. An order requiring Devon to pay the Class attorney's fees and litigation costs as provide by statute; and
8. Such costs and other relief as this Court deems appropriate.

### **DEMAND FOR JURY TRIAL**

Plaintiff requests a jury trial on all matters so triable.

Respectfully Submitted,

/s/Reagan E. Bradford

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