

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

**MARY KATHERINE HARRIS, on)
behalf of herself and all persons or)
entities similarly situated,)**

Plaintiff,)

vs.)

Case No. 6:19-cv-00355-SPS

CHEVRON U.S.A., INC., ET AL.,)

Defendants.)

PLAN OF ALLOCATION AND DISTRIBUTION ORDER

This Plan of Allocation and Distribution Order sets forth the general way the Net Settlement Amount will be administered and distributed to Class Members. The Net Settlement Amount for Distribution will be allocated to each Class Member based on the factors and considerations set forth herein.

I. Plan of Allocation

The Net Settlement Amount for Distribution will be allocated among Class Wells and individual Class Members based upon: The Class Member’s decimal interest in the ownership of the royalty interests in each Class Well, and the net amount paid by Defendants for of gas and gas constituents for the producing Class Well or Wells in which the Class Member has ownership in a royalty interest. Each individual Class Member’s allocated share of the Net Settlement Amount for all Class Wells will be paid together in one lump sum.

For Class Wells, the royalty paydecks for the production months of December 2009 through February 2019 shall be used for allocation, subject to fair inquiry and correction for good cause shown. Distribution of the Net Settlement Amount will be made only to the last royalty owners paid by Defendants in a given Class Well, using Defendants last effective paydeck for each Class Well.

If a Class Well was plugged (or sold) during the Class Period covered by this Settlement, then the amount allocated to that well shall be paid to the last royalty owners paid by Defendants in those wells. The Settlement Administrator, with the assistance of Class Counsel and the Class' expert, will use royalty owner records produced in the Class Lawsuit and, to the extent available, computer databases to attempt to identify Class Members, ownership interests, and net amounts paid by Defendants for gas and gas constituents in order to administer this Plan of Allocation and Distribution Order.

The Distribution described above is based upon the following assumptions: (a) that very few sales of royalty interests in Class Wells have occurred during the time period covered by this Settlement; (b) that where sales did occur, the parties intended for the buyer to receive payment for past claims; and (c) that where royalty interest passed through inheritance, devise or inter-family transfers, it was the intent that the heir, devisee, or transferee receive payment for past claims. To the extent these assumptions are not correct for specific transfers of interests or a payee is not the proper party to receive payment, the Court hereby Orders the Class Member who receives payment to make payment to the proper party.

II. Time for Allocation and Distribution

The Settlement Court shall supervise the allocation and distribution of the Net Settlement Amount, which shall be accomplished as follows:

(1) At least ten (10) business days before the Settlement Fairness Hearing, the Settlement Administrator, with the assistance of Class Counsel and the Class's expert, shall prepare a draft Summary Final Distribution Report that assumes the Settlement Court will award a combined forty-three percent (43%) of the Settlement Proceeds as Class Counsel Fees and Expenses and Administration Expenses to show the Settlement Court the estimated amount from the Net Settlement Amount to be distributed to each Class Member. Class Counsel will move the Court for approval of the methodology used for the draft Summary Final Distribution Report at the Settlement Fairness Hearing. The same methodology will be used for the Summary Final Distribution Report of the actual Net Settlement Amount to Class Members.

Defendants shall cooperate with Class Counsel and the Class' experts and consultants to verify the accuracy of the Summary Final Distribution Report. Defendants have previously provided the information upon which the distribution calculations are based, and will further provide last known addresses and tax identification numbers of Class Members currently available in Defendants' electronic databases, all of which shall be treated as Confidential Information under the protective order entered in this case. Neither Defendants nor Defendants' Counsel is responsible or liable for any aspect of the

allocation methodology or the Plan of Allocation and Distribution implementing that methodology.

(2) When the Judgment becomes Final and Non-Appealable, the Settlement Administrator will determine the names, addresses, and final amounts of Distribution Checks for each Class Member in accordance with this Plan of Allocation and Distribution Order, taking into account the actual amounts awarded as Class Counsel Fees and Expenses and subject to confirmation by Class Counsel. Within forty-five (45) days after the date the Judgment becomes Final and Non-Appealable, the Settlement Administrator shall issue and mail, or cause to be mailed, Distribution Checks to Class Members and include a Form 1099, when applicable. If possible, without undue expense, the Distribution Checks shall include line entry detail on a well-by-well basis of the Class Member's distribution amount. With each payment, the Settlement Administrator must include the notice as specified in paragraph 1.6 of the Settlement Agreement.

(3) Where the Class Member's distribution amount is \$5.00 or less, the Settlement Administrator will not issue or mail payment. Distribution of such small amounts would result in unnecessary expense to the Class, likely exceeding the value of the Distribution Check. Instead these funds will be treated as Undistributed Proceeds under the Settlement Agreement and other orders of the Court.

(4) Upon the Settlement Administrator depositing the Distribution Checks in the United States Mail, or causing them to be so deposited, the Class Representative and each Class Member shall, by operation of the Judgment, have, fully, finally and forever released,

relinquished, and discharged all Released Parties from all Released Claims accruing at during the Released Period, and shall be forever barred and estopped from asserting any of the Released Claims against any of the Released Parties.

(5) Within three (3) business days of the date the Judgment becomes Final and Non-Appealable, the Settlement Administrator shall pay Class Counsel Fees and Expenses awarded by Settlement Court from the Settlement Proceeds. The Settlement Administrator shall make such payment by wire transfer in accordance with written payment instructions provided by Class Counsel. Defendants shall have no responsibility or liability for allocating the amount paid among the Class Representative, Class Counsel, expert witnesses, vendors, or other persons. In no event shall Defendants be required to pay Class Counsel Fees and Expenses out of its own funds, except as part of the Settlement Proceeds.

(6) Within ten (10) days of the mailing of the Distribution Checks, the Settlement Administrator shall provide Class Counsel a check register in the form of an electronic spreadsheet, reflecting the actual distribution by owner number, owner name, owner address, and amount paid. Within thirty (30) days after the Settlement Administrator issues and mails the Distribution Checks, it shall file this check register with the Settlement Court under seal. This Order provides permission for the filing of the check register under seal.

(7) Within one hundred twenty (120) days following the date reflected on the Distribution Checks, the Settlement Administrator shall file a reconciliation of the

distribution of the Settlement Proceeds, including the amount of any Undistributed Proceeds.

Ordered: February 27, 2020.



Steven P. Shreder
United States Magistrate Judge
Eastern District of Oklahoma