



<b>Judicial Arbiter Group, Inc. 1601 Blake Street, Suite 400 Denver, CO 80202 Phone: 303-572-1919 Facsimile: 303-571-1115</b>	
<b>In Re the Arbitration of:</b>  <b>Kenneth &amp; Vanda Vaughters and David &amp; Sandra Conner, as Co-Trustees of the Sandra K. Conner Trust and as Co-Trustees of the David C. Conner Trust, on behalf of themselves and the defined Class, Claimants</b>  v.  <b>Ovintiv USA Inc. f/k/a Encana Oil and Gas (USA), Inc., and Crestone Peak Resources Holdings, LLC, Respondents.</b>	<b>JAG No.: 2018-0067</b>  <b>Arbiter – Ann B. Frick</b>
<b>CLAIMANTS’ AND OVINTIV’S JOINT MOTION FOR APPROVAL OF CLASS ACTION SETTLEMENT</b>	

Claimants Kenneth and Vanda Vaughters and David and Sandra Conner, as Co-Trustees of the Sandra K. Conner Trust and the David K. Conner Trust (the “Claimants”), on behalf of themselves and the Class of royalty owners which was certified in the underlying action styled *Miller, et al. v. EnCana Oil and Gas (USA) Inc.*, 05 CV 2753 (Denver District Court) as well as their successors and assigns (the “Class”), and Ovintiv USA Inc., f/k/a EnCana Oil & Gas (USA) Inc. (“Ovintiv”), respectfully request that the Arbiter approve the Class Action Settlement Agreement dated March 11, 2022 (the “Class Settlement Agreement”) entered into between Claimants and Ovintiv in order to resolve the claim asserted against Ovintiv in this arbitration. A copy of Claimants and Ovintiv’s Class Settlement Agreement is attached to this Joint Motion as Exhibit 1. As grounds for this Joint Motion, Claimants and Ovintiv state as follows:

## **BACKGROUND**

1. Claimants, the Class, and Ovintiv are parties to a class-action settlement agreement approved by the District Court for the City and County of Denver, Colorado in a case styled *Miller, et al. v. EnCana Oil and Gas (USA) Inc.*, 05 CV 2753 (Denver District Court) (the “EnCana Class Settlement Agreement”). Pursuant to the EnCana Class Settlement Agreement, Ovintiv agreed to settle the Class members’ claim for declaratory relief regarding Ovintiv’s method for calculating royalties to the Class members after January 1, 2009, by agreeing to a future royalty calculation method as set forth in Paragraph 10 of the EnCana Class Settlement Agreement.

2. Claimants, the Class, and Ovintiv owned interests in oil and Natural Gas<sup>1</sup> produced in Colorado. Claimants and the Class own royalty and/or overriding royalty interests in Natural Gas produced subject to the oil and gas leases identified on Exhibit B to the EnCana Class Settlement Agreement (hereafter the “Class Leases”) and Ovintiv owned the lessee’s interest in the Class Leases until Ovintiv sold its interest in the Class Leases to Crestone Peak Resources, LLC, which states an Effective Date of April 1, 2015.

3. The EnCana Class Settlement Agreement was approved by the Denver District Court in August 2008. On January 26, 2018, consistent with Paragraph 10(1) of the EnCana Class Settlement Agreement, Claimants filed a demand for arbitration originally against Kerr-McGee Oil and Gas OnShore, LP (“KMG”) with the Judicial Arbitrator Group, Inc. (“JAG”) (JAG No. 2018-0067A), wherein Claimants’ alleged that KMG had underpaid royalties to the settlement Class certified in *Miller, et al. v. EnCana Oil and Gas (USA) Inc.*, 05 CV 2753 (Denver District Court) and their successors and assigns.

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<sup>1</sup> The Parties intend this settlement to resolve claims related to Natural Gas as that term is defined in the Encana Class Settlement Agreement

4. After Claimants took some limited discovery on the matter resulting in the dismissal of KMG as a respondent, the Claimants sought to amend their arbitration demand to include Ovintiv because Ovintiv still owned lessee's interests in the Class Leases, even though KMG was the entity that drilled the applicable wells and paid royalties to the Claimants and the Class members on Ovintiv's behalf.

5. With the approval of Arbitrator Frick, on June 5, 2018, Claimants filed their First Amended Class Arbitration Demand against Ovintiv, which alleged that, as the owner of lessee's interests in the applicable Class Leases, Ovintiv remained responsible for any alleged royalty underpayments associated with the applicable Class Leases.

6. The Parties agree for purposes of the Class Settlement Agreement that Paragraph 10(f) of the EnCana Class Settlement Agreement sets forth the appropriate future royalty payment calculation methodology to be applied to the royalties paid to the Class members on Natural Gas produced under the Class Leases on wells operated by KMG on or after January 1, 2009.

7. Following KMG's dismissal as a respondent, Claimants engaged in extensive discovery and obtained documents and information related to KMG's production and sale of the Natural Gas at issue from the wells drilled subject to the Class Leases and the royalty payment detail related to KMG's payment of royalties to each of the Class members. Claimants' attorneys engaged a royalty accounting expert to assist them in reviewing the production and sales data and analyzing the relevant royalty accounting methodology employed by KMG. Class Counsel and Ovintiv's attorneys also engaged in extensive discussions in order to evaluate the information produced by KMG and negotiate a full and final resolution of Claimants' claim against Ovintiv in order to avoid the cost, time, and uncertainty of continued litigation.

8. Class Counsel and counsel for Ovintiv have participated in settlement discussions in order to resolve Claimants' claim against Ovintiv. As a result, Claimants and Ovintiv reached an agreement on March 11, 2022, which is attached hereto as Exhibit 1.

9. Claimants and Ovintiv, through their respective counsel, are now requesting that the Arbiter enter an Order approving the March 11, 2022 Class Settlement Agreement.

### **THE CLASS SETTLEMENT AGREEMENT**

10. The Class Settlement Agreement resolves the Claims of the certified Class members who were paid royalties by KMG in connection with leases wherein the lessee's interest was owned by Ovintiv and are bound by the EnCana Class Settlement Agreement, further defined as:

all persons who are, or have been members of the certified Settlement Class in the *Miller v. Encana* class litigation, or the successors and assigns to such Settlement Class Members and who have been a lessor under a Class Leases, which were subject to the Encana Class Settlement Agreement, and whereby KMG operated wells and produced Natural Gas from lands subject to such Class Leases, to whom KMG has paid royalties on the Ovintiv's behalf at any time since January 1, 2009, under such Class Leases.

(the "Settlement Class")

11. In order to resolve the Settlement Class's claims for alleged royalty underpayments against Ovintiv through the date on which Ovintiv sold the Class Leases to the Respondent Crestone Peak Resources, LLC, Ovintiv has agreed to pay a total of two-hundred and eighty thousand dollars (\$280,000.00) (the "Settlement Fund"), which will be paid in accordance with the terms of the class distribution schedule, which is attached hereto as Exhibit 2. Ovintiv has also agreed to release the Class members from any and all liabilities, rights, claims, demands, obligations, damages (including claims for or award of costs and/or expenses, court costs and attorneys' fees), losses, causes of action in law or in equity arising from the calculation and/or

payment of royalties to Claimants and the Class pursuant to the EnCana Class Settlement Agreement.

12. Upon the Arbitrator's approval of the Class Settlement Agreement and Class Counsel's receipt of the Settlement Funds, the Claimants will dismiss with prejudice their class claims in this arbitration proceeding against Ovintiv.

13. Upon the Arbitrator's approval of the proposed Class Settlement Agreement and Class Counsel's receipt of the Settlement Funds, George Barton and Stacy Burrows ("Class Counsel") will distribute the net amount remaining from the Settlement Fund, after reimbursement of litigation expenses, attorneys' fees and the payment of any incentive awards, which Class Counsel are requesting through a separate motion being filed contemporaneously with the present motion. Class Counsel will distribute the Settlement Funds in accordance with the addresses produced by KMG as part of discovery.

14. Pursuant to the Colorado Court of Appeals decision in *EnCana Oil and Gas (USA), Inc. v. Miller*, 405 P.3d 488 (Colo. App. 2017), Claimants and Ovintiv agree that the Class has already been certified pursuant to the EnCana Class Settlement Agreement and the August 2008 Denver District Court's findings that all of the requisite requirements under C.R.C.P. 23(b)(3) were satisfied. As the Court of Appeal confirmed in 2017, these requirements continued to be satisfied for the life of the Class Leases and the arbitrator has "no continuing duty to rigorously analyze the class's satisfaction of the certification requirements." *Miller*, 405 P.3d at 494-95. Thus, the Arbitrator is not required to make any findings related to the requirements of C.R.C.P. 23.

**THE CLASS SETTLEMENT IS FAIR, REASONABLE, AND ADEQUATE**

15. Pursuant to the Supplemental Rules of Class Arbitrations, Rule 8(a)(3), the arbiter may approve a settlement that binds the Class upon a finding that the settlement is fair, reasonable, and adequate.

16. So long as the negotiated agreement appears fair, reasonable and adequate, it should be approved, in accordance with the strong public policy favoring the settlement of complex litigation. *Helen G. Bonfils Foundation v. Denver Post Employees Stock Trust*, 674 P.2d 997, 998 (Colo. App. 1983); *Alvarado Partners, L.P. v. Mehta*, 723 F. Supp. 540, 551 (D. Colo. 1989). As a practical matter, courts typically presume that a class action settlement is fair and reasonable based on the recommendation of the parties and their counsel. Thus, “the overwhelming majority of settlements are approved when the court is satisfied that arms-length bargaining took place during settlement negotiations and experienced class counsel recommended approval of the settlement.” NEWBERG ON CLASS ACTIONS, § 11.41 at 11-95 (3rd ed. 1992).

17. In evaluating class action settlements, courts agree on a nonexclusive list of factors that should be considered in evaluating whether a settlement agreement is fair, adequate, and reasonable: (1) the strength of the plaintiff’s case; (2) risk and expense of further litigation; (3) amount of the settlement; (4) extent of discovery completed; (5) experience and views of counsel; and (6) reaction of interested parties to the settlement. *Thomas v. Rahmani-Azar*, 217 P.3d 945, 947 (Colo. App. 2009).

18. First, since Claimants added Ovintiv as a defendant in this Arbitration, Claimants and Ovintiv have sharply contested the merits of the Claimants’ claims, and the Claimants’ damage calculations. Although the Claimants believe they have a strong case under their breach of contract

claim, Claimants recognize that, as with all contested proceedings, a favorable outcome is far from certain.

19. Second, if the Claimants and Ovintiv were not able to resolve Claimants' breach of contract claim now, the parties would be required to engage in additional discovery, complete briefing, prepare for the upcoming hearing, and ultimately try the case at the hearing scheduled for May 2022. This would result in additional risks and expenses for both parties.

20. Third, the parties have already engaged in extensive discovery, and both parties have retained royalty accounting and title examination experts to assist them in reviewing and understanding the data and evidence produced in this case. Thus, both sides are intimately familiar with the relative strengths and weaknesses of their respective positions regarding the issues in the case.

21. Fourth, the Claimants' royalty accounting expert has calculated that the Class has been underpaid \$274,169, exclusive of prejudgment interest, with respect to the time period in which Ovintiv owned the lessee's interest in the Class Leases. Thus, the settlement amount represents more than the principle damages the Claimants would be seeking at a hearing.

22. Fifth, the settlement amount was negotiated extensively by the Claimants' and Ovintiv's counsel, who are experienced in oil and gas royalty underpayment class action litigation. Thus, given the risks and expenses of further litigation for both parties, the settlement amount is fair, adequate, and reasonable.

23. Finally, the named Claimants and Ovintiv both agree that the settlement amount is fair, reasonable, and adequate, as reflected by the fact that each of them have already executed the Class Settlement Agreement.

**BECAUSE THE CLASS CONTINUES TO EXIST NO  
ADDITIONAL NOTICE IS REQUIRED**

24. Pursuant to the Colorado Court of Appeals decision in *EnCana Oil and Gas (USA), Inc. v. Miller*, 405 P.3d 488 (Colo. App. 2017), no additional notice of the Class Settlement Agreement will need to be sent to the members of the Class. The members of the EnCana Settlement Class received sufficient notice after the Class was certified in the EnCana Class Action Lawsuit and after the Denver District Court preliminarily approved the Class Settlement Agreement. *Miller v. EnCana Oil and Gas (USA), Inc.* 2009 WL 1629949 (Colo. App. No. 08CA2131, June 11, 2009). *Miller*, 405 P.3d at 495-96. The proposed Class Settlement Agreement settles claims that merely sought to enforce the EnCana Class Settlement Agreement. Accordingly, as the Court of Appeal has recently confirmed, no additional notice is required under these circumstances regarding the proposed Class Settlement Agreement.

25. The parties' position here is also consistent with Arbiter Steve Brigg's February 18, 2019 Order wherein he approved a class-wide settlement in a previous dispute regarding the payment of royalties under the EnCana Settlement Agreement. A copy of Arbiter Brigg's order is attached hereto as Exhibit 3.

26. In Arbiter Brigg's February 18, 2019 Order, he provided that further notice of the previous class settlement was unnecessary given the minimal amount of funds to be distributed, the comparatively prohibited cost of providing further notice, and the lack of any basis for concluding that it is probable any substantially greater amount could be recovered with further litigation. The same rationale applies in these arbitration proceedings. The vast majority of Class members have damages that are less than the AAA's minimum \$925 filing fee, and the Settlement Fund is nearly equal to the principle damages Claimants would seek at a hearing. Thus, it is appropriate that the settlement be completed without further notice.



**CONCLUSION**

For the reasons stated above, the Arbiter should find that the proposed Class Settlement Agreement is fair, reasonable and adequate, and approve the same.

HAYNES BOONE, LLP

/s/ Garrett S. Martin

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**ATTORNEYS FOR OVINTIV USA, INC.**

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**ATTORNEYS FOR CLAIMANTS AND  
THE ENCANA SETTLEMENT CLASS**

**CERTIFICATE OF SERVICE**

I, Stacy Burrows certify that on March 16, 2022, I served a copy of the foregoing via File & ServeXpress and email:

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Andrew Wilson Myers  
Joel S. Neckers  
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*Attorneys for Respondent Crestone  
Peak Resources Holdings, LLC*

*/s/Stacy Burrows*



# EXHIBIT 1

<b>Judicial Arbiter Group, Inc.</b> <b>1601 Blake Street, Suite 400</b> <b>Denver, CO 80202</b> <b>Phone: 303-572-1919</b> <b>Facsimile: 303-571-1115</b>	
<b>In Re the Arbitration of:</b>  <b>Kenneth &amp; Vanda Vaughters and David &amp; Sandra Conner, as Co-Trustees of the Sandra K. Conner Trust and as Co-Trustees of the David C. Conner Trust, on behalf of themselves and the defined Class, Claimants</b>  <b>v.</b>  <b>Ovintiv USA Inc. f/k/a Encana Oil and Gas (USA), Inc., and Crestone Peak Resources Holdings, LLC, Respondents.</b>	<b>JAG No.: 2018-0067</b>    <b>Arbiter – Ann B. Frick</b>
<b>CLASS ACTION SETTLEMENT AGREEMENT</b>	

This Class Action Settlement Agreement (“Agreement”) is entered into effective March 11, 2022, (“Effective Date”) by and between Kenneth and Vanda Vaughters and David and Sandra Conner, as Co-Trustees of the Sandra K. Conner Trust and the David K. Conner, Trust (the “Claimants”), on behalf of themselves and the Class of royalty owners which were certified in the underlying action styled *Miller, et al. v. EnCana Oil and Gas (USA) Inc.*, 05 CV 2753 (Denver District Court) as well as their successors and assigns (the “Class”), and Ovintiv USA Inc., f/k/a Encana Oil & Gas (USA) Inc. (“Ovintiv”). Claimants and Ovintiv may each be referred to as a “Party” or collectively as the “Parties.”

### RECITALS

A. Claimants, the Class, and Ovintiv are parties to a class-action settlement agreement approved by the District Court for the City and County of Denver, Colorado in a case styled *Miller, et al. v. EnCana Oil and Gas (USA) Inc.*, 05 CV 2753 (Denver District Court) (the “Encana Class Settlement Agreement”). Pursuant to the Encana Class Settlement Agreement, Ovintiv agreed to settle the Class members’ claim for declaratory relief regarding Ovintiv’s method for calculating royalties to the Class members after January 1, 2009, by agreeing to a future royalty calculation method as set forth in Paragraph 10 of the EnCana Class Settlement Agreement.

B. Claimants, the Class, and Ovintiv owned interests in oil and natural gas produced in Colorado. Claimants and the Class own royalty and/or overriding royalty interests in Natural Gas<sup>1</sup> produced subject to the oil and gas leases identified on Exhibit B to the Encana Class Settlement Agreement (hereafter the “Class Leases”) and Ovintiv owned the lessees’ interest in the Class Leases until Ovintiv sold its interest in the Class Leases to Crestone Peak Resources, LLC.

C. The Encana Class Settlement Agreement was approved by the Denver District Court in August 2008. On January 26, 2018, consistent with Paragraph 10(l) of the Encana Class Settlement Agreement, Claimants filed a demand for arbitration against Kerr-McGee, Oil and Gas OnShore, LP (“KMG”) with the Judicial Arbitrator Group, Inc. (“JAG”) (JAG No. 2018-0067A), wherein Claimants’ alleged that KMG had underpaid royalties to the settlement Class certified in *Miller, et al. v. Encana Oil and Gas (USA) Inc.*, 05 CV 2753 (Denver District Court) and their successors and assigns.

D. After Claimants and KMG took some limited discovery on the matter resulting in the dismissal of KMG as a respondent, the Claimants sought to amend their arbitration demand to include Ovintiv because Ovintiv still owned the lessee’s interest in the Class Leases at issue in this arbitration proceeding, even though KMG was the entity that drilled the applicable wells and paid royalties to the Claimants and the Class Members on Ovintiv’s behalf.

E. The Parties agree for purposes of this Agreement that Paragraph 10(f) of the Encana Class Settlement Agreement sets forth the appropriate future royalty payment calculation methodology to be applied to the royalties paid to the Class members on Natural Gas produced under the Class Leases on wells operated by KMG on or after January 1, 2009.

F. With the approval of Arbitrator Frick, on June 5, 2018, Claimants filed their First Amended Class Arbitration Demand against Ovintiv, which alleged that, as the owner of the lessee’s interest in the applicable Class Leases, Ovintiv remained responsible for any alleged royalty underpayments associated with the applicable Class Leases.

G. Following KMG’s dismissal as a respondent, Claimants engaged in extensive discovery and obtained documents and information related to KMG’s production and sale of the Natural Gas at issue from the wells drilled subject to the Class Leases and the royalty payment detail related to KMG’s payment of royalties to each of the Class Member. Claimants’ attorneys (“Class Counsel”) engaged a royalty accounting expert to assist them in reviewing the production and sales data and analyzing the relevant royalty accounting methodology employed by KMG. Class Counsel and Ovintiv’s attorneys also engaged in extensive discussions in order to evaluate the information produced by KMG and negotiate a full and final resolution of Claimants’ disputes in order to avoid the cost, time, and uncertainty of continued litigation.

H. Ovintiv has denied that KMG’s payment of royalties has resulted in in underpayment royalties owed to Claimants and the Class Members under the Encana Class Settlement Agreement. Nevertheless, Ovintiv believes a resolution at this time to be in its best

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<sup>1</sup> The Parties intend this settlement to resolve claims related to Natural Gas as that term is defined in the Encana Class Settlement Agreement

interest to avoid further costs of defense in consideration of the currently alleged damage value, among other reasons.

I. Based on the analysis and evaluation of the royalty accounting data and other discovery produced in this arbitration, and without any admission of fault of liability, Claimants and Ovintiv have agreed to resolve the claims of the Claimants and the Class Members pursuant to the terms set forth below. Further, Claimants and Ovintiv have agreed that upon the Arbiter's approval of this Agreement, the Claimants' and the Class Members' claims against Respondent Ovintiv will be dismissed with prejudice but only as to Ovintiv and not to any other party to this arbitration proceeding.

## AGREEMENT

1. Joint Motion for Approval of Class Settlement. Within two (2) days of executing this Agreement, Claimants and Ovintiv agree to prepare and file their Joint Motion seeking Arbiter Frick's approval of the Agreement (the "Joint Motion"). The Joint Motion shall seek approval of the settlement of the claims brought by the Class members further defined as:

all persons who are, or have been members of the certified Settlement Class in the *Miller v. Encana* class litigation, or the successors and assigns to such Settlement Class Members and who have been a lessor under a Class Leases, which were subject to the Encana Class Settlement Agreement, and whereby KMG operated wells and produced Natural Gas from lands subject to such Class Leases, to whom KMG has paid royalties on the Ovintiv's behalf at any time since January 1, 2009, under such Class Leases.

The Joint Motion also shall seek approval of the proposed class settlement as set forth in this Agreement. When the Parties seek approval of this Agreement, the Parties will also seek approval of a distribution schedule to be prepared by Claimants' royalty accounting expert. The Parties shall cooperate with one another and make their best efforts to obtain approval of this Agreement.

2. Settlement Amount. Within fourteen (14) days of the date of Arbiter Frick entering an order approving this Agreement Ovintiv will deposit into the trust account for Barton and Burrows, LLC, a total of Two Hundred and Eighty Thousand Dollars (\$280,000.00). The total shall represent payment to Claimants and the Class in order to resolve all claims asserted against Ovintiv in the Claimants' Fourth Amended Class Arbitration Demand dated February 22, 2022 or any expert report or other pleading or document asserted theories or claims in the arbitration. Crestone Peak Resources, LLC has not agreed to a settlement and no claims against Crestone Peak Resources, LLC are intended to or will be dismissed.

3. Schedule of the Class Members and Their Damages. Claimants' expert has identified the 260 Class Members who have been underpaid royalties according to Claimants' theories as set forth in the Fourth Amended Arbitration Demand (or other pleading or document in the arbitration) and who are set to receive payments consistent with this Agreement. Claimants will provide an updated distribution schedule (the "Distribution Schedule") based on the net proceeds to be distributed after the reimbursement of litigation expenses and attorneys' fees and

the payment of incentive awards, which will also include the last known addresses of each of the Class Members as provided for in the royalty methodology detail provided by KMG at Bates No. KMOG0001-86 in this arbitration proceeding.

4. No Notice to the Class Members is Required. Pursuant to the Colorado Court of Appeals decision in *EnCana Oil and Gas (USA), Inc. v. Miller*, 405 P.3d 488 (Colo. App. 2017), the Parties agree no additional notice of the Agreement will be sent to the Class Members.

5. Dismissal of the Claims Against Ovintiv With Prejudice. Upon approval of the Agreement and Class Counsel's receipt of the \$280,000 from Ovintiv, Class Counsel will seek to dismiss Ovintiv, with prejudice, from the arbitration proceeding (JAG No. 2018-0067A).

6. Claimants and Class Counsel's Requests for Fees and Costs. Ovintiv will take no position regarding Class Counsel's motion for reimbursement of litigation expenses, incentive awards to be awarded to the Claimants, or the attorneys' fees sought by Class Counsel. Regardless, Ovintiv is aware of the following:

a. Class Counsel will seek reimbursement of fifty percent (50%) litigation expenses they have incurred and will incur in prosecuting this action on behalf of the Claimants through the date of final approval of this Agreement. The reimbursements for litigation expenses approved by Arbiter Frick will be paid out of the Settlement Amount.

b. Class Counsel will seek approval of an incentive award for Claimants as follows. Claimants Kenneth and Vanda Vaughters will seek an incentive award in an amount of up to \$2,000. Claimant the Sandra K. Conner Trust will request an incentive award in an amount of up to \$500. Any incentive awards approved by Arbiter Frick will be paid out of the Settlement Amount.

c. Class Counsel will seek an award of attorneys' fees of up to forty percent (40%) of the gross Settlement Amount. An award of attorneys' fees by the Arbiter will be paid out of the Settlement Amount.

d. Ovintiv shall bear its own fees, and Ovintiv shall have no obligation to bear any attorneys' fees or costs sought by Class Counsel from the Settlement Amount.

7. Release. Claimants and the Class release Ovintiv and its subsidiaries, parent companies, affiliates, and each of its predecessors, and its past, present, and future officers, directors, affiliates, employees, agents, servants, and representatives from any and all liabilities, rights, claims, demands, obligations, damages (including claims for or award of costs and/or expenses, court costs and attorneys' fees), losses, causes of action, whether known or unknown, in law or in equity arising from the calculation and/or payment of royalties or overriding royalties to Claimants and/or the Class pursuant to the Encana Class Settlement Agreement and based on Ovintiv's ownership of the lessee's interest in the Class Leases prior to the effective date of its transfer of production assets to Respondent Crestone Peak Resources, LLC.

This Release, however, does not apply to royalties owed by Ovintiv's successors and assigns, specifically Respondent Crestone Peak Resources, LLC, based on any Natural Gas produced by KMG which is subject to the Class Leases.

Ovintiv releases Claimants and the Class, as well as their predecessors, successors, assigns, and its past, present and future officers, directors, affiliates, employees, agents, servants, and representatives from any and all liabilities, rights, claims, demands, obligations, damages (including claims for or award of costs and/or expenses, court costs and attorneys' fees), losses, causes of action, whether known or unknown, in law or in equity arising from the calculation and/or payment of royalties to Claimants and the Class pursuant to the Encana Class Settlement Agreement and based on Natural Gas produced subject to the Class Leases prior to its sale of its Natural Gas production assets to Crestone Peak Resources, LLC.

8. Other Matters.

a. Nothing in this Agreement shall be construed as an admission by or on behalf of any Party of any wrongful acts or liabilities whatsoever.

b. The Parties represent and warrant to one another that the individual who executes this Class Settlement Agreement has the right and legal authority to execute such document on behalf of the Party for whom it acts.

c. The Parties expressly acknowledge that they have had the opportunity to consult additional professionals of their choice, including lawyers, accountants, and others regarding any and all damages, losses, costs, expenses, liabilities, claims and the consequences thereof, of whatsoever kind and nature, which they may have incurred or which they may or will incur, whether suspected or unsuspected, known or unknown, foreseen or unforeseen. The Parties have relied upon their own counsel's advice in entering into this Agreement and not upon the advice of any other Party's counsel.

d. The Parties and their counsel have mutually contributed to the preparation of this Class Settlement Agreement. No provision of this shall be construed for or against any Party because that Party or its counsel drafted the provision. No Party has made any representation, promise or agreement of any kind to do or refrain from doing any act or thing or pay any money or other consideration not expressly set forth herein.

e. This Agreement may be amended or modified only by a written agreement signed by or on behalf of the Parties or their successors in interest.

f. This Agreement may be executed in any number of counterparts, each of which when so executed shall constitute in the aggregate but one and the same document. Facsimile signatures and/or signatures transmitted by electronic mail shall be valid and binding as original signatures.

g. This Agreement constitutes the complete agreement between the Parties relating to the subject matter hereof, and there are no written or oral understandings or agreements



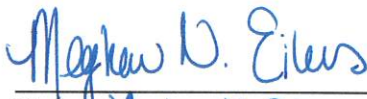
directly or indirectly connected with this Agreement that are not incorporated herein. Any prior negotiations, correspondence or understandings related to the subject matter of this Agreement shall be deemed to be merged into this Agreement. This does not, however, subsume any prior agreements between counsel for the parties relating to such obligations of counsel and that do not relate to an obligation or right of a Party itself, including any obligations of such counsel expressed in the Term Sheet dated March 4, 2022.

h. The provisions of this Agreement shall, where possible, be interpreted in a manner to sustain their legality and enforceability, except that the provisions of this Class Settlement Agreement cannot be severed and rendering any portion of the Agreement to be unenforceable shall render the entire agreement to be unenforceable.

i. This Agreement shall be construed and interpreted under the laws of the State of Colorado.

The Parties hereby execute this Agreement this 11th day of March 2022, effective as of the Effective Date

**Ovintiv USA Inc. (f/k/a EnCana Oil and Gas (USA) Inc. Claimants:**

  
By: Meghan N. Eilers <sup>ABW</sup>  
Title: SVP General Counsel

\_\_\_\_\_  
By: David Conner  
Title: Co-Trustee

\_\_\_\_\_  
By: Sandra Conner  
Title: Co-Trustee

\_\_\_\_\_  
By: Vanda Vaughters

\_\_\_\_\_  
By: Ken Vaughters

directly or indirectly connected with this Agreement that are not incorporated herein. Any prior negotiations, correspondence or understandings related to the subject matter of this Agreement shall be deemed to be merged into this Agreement. This does not, however, subsume any prior agreements between counsel for the parties relating to such obligations of counsel and that do not relate to an obligation or right of a Party itself, including any obligations of such counsel expressed in the Term Sheet dated March 4, 2022.

h. The provisions of this Agreement shall, where possible, be interpreted in a manner to sustain their legality and enforceability, except that the provisions of this Class Settlement Agreement cannot be severed and rendering any portion of the Agreement to be unenforceable shall render the entire agreement to be unenforceable.

i. This Agreement shall be construed and interpreted under the laws of the State of Colorado.

The Parties hereby execute this Agreement this 11th day of March 2022, effective as of the Effective Date

**Ovintiv USA Inc. (f/k/a EnCana Oil and Gas (USA) Inc. Claimants:**

By: \_\_\_\_\_  
Title: \_\_\_\_\_

David Conner, Co-Trustee  
By: David Conner  
Title: Co-Trustee

Sandra Conner, Co-Trustee  
By: Sandra Conner  
Title: Co-Trustee

\_\_\_\_\_  
By: Vanda Vaughters

\_\_\_\_\_  
By: Ken Vaughters

shall be deemed to be an agreement between counsel for the parties relating to such obligations. The obligations shall not be deemed to be obligations of the Parties, but shall relate to an obligation or right of a Party itself, including any obligations of such counsel expressed in the Term Sheet dated March 4, 2022.

h. The provisions of this Agreement shall, where possible, be interpreted in a manner to sustain their legality and enforceability, except that the provisions of this Class Settlement Agreement cannot be severed and rendering any portion of the Agreement to be unenforceable shall render the entire agreement to be unenforceable.

i. This Agreement shall be construed and interpreted under the laws of the State of Colorado.

The Parties hereby execute this Agreement this 11th day of March 2022, effective as of the Effective Date

**Ovintiv USA Inc. (f/k/a EnCana Oil and Gas (USA) Inc. Claimants:**

By: \_\_\_\_\_  
Title: \_\_\_\_\_

By: David Conner  
Title: Co-Trustee

By: Sandra Conner  
Title: Co-Trustee

*Vanda Vaughters*  
By: Vanda Vaughters

*Ken Vaughters*  
By: Ken Vaughters



# EXHIBIT 2

Vaughters - Class Distribution Schedule  
 Ex. 2 - Allocation of Settlement Amount

	Owner	\$ 126,440.00 Settlement Allocation	Address (Line 1 or Care of)	Address (Line 2)	City	State	Zip Code
1	ALBERT J DINNER AND JANICE R DINNER	65.54	2800 S UNIVERSITY BLVD #132		DENVER	CO	80210
2	ALLEN F PRICE	0.94	4783 VALHALLA DRIVE		BOULDER	CO	80301
3	AMERITAS LIFE INSURANCE CORP.	112.35	PO Box: 40888		CINCINNATI	OH	45240-0888
4	ANA TERESA OROZ	6.95	421 W 6TH STREET		WINNEMUCCA	NV	89445
5	ANTHONY R DOWDY	14,682.78	22071 WCR 22		HUDSON	CO	80642
6	ARISTOCRAT ANGUS RANCH	10,799.24	9053 COUNTY ROAD	APT 34	PLATTEVILLE	CO	80651
7	ARISTOCRAT ANGUS RANCHES	1,589.10	9053 WELD COUNTY ROAD 34		PLATTEVILLE	CO	80651
8	ARNOLD W GRENEMYER JR	1,069.14	9738 WCR 4		BRIGHTON	CO	80603
9	BARBARA ANN NELSON	119.23	4140 ONYX PL		JOHNSTOWN	CO	80534
10	BARCLAY FARMS LLC	392.40	13017 WELD COUNTY ROAD 30		PLATTEVILLE	CO	80651
11	BARRY K POWELL JT	241.78	1052 PARK AVENUE		FORT LUPTON	CO	80621
12	BARTELS MINERALS LLC	1.25	3620 W 10TH ST	SUITE B #314	GREELEY	CO	80634
13	BEVERLY A MACK	760.05	PO Box: 293		PLAINS	MT	59859
14	BEVERLY J JOHNSTON	725.34	18 EMPSON DRIVE		LONGMONT	CO	80504
15	BILLY J DOWDY CINDY L DOWDY &	310.62	217 PARKER DR		MANHATTAN	KS	66502-7625
16	BILLY L COOK &	1.41	130 W HILL CT		FORT LUPTON	CO	80621
17	BLACK MAGIC #2 LLC	0.07	1720 S BELLAIRE ST STE 1209		DENVER	CO	80222
18	BLACK STONE MINERALS CO LP	1.28	PO Box: 301267		DALLAS	TX	75303-1267
19	BLUEBIRD ENERGY PARTNERS LLC	62.94	9055 E MINERAL CIR #110		CENTENNIAL	CO	80112-3457
20	BRENDA CALFEE	7.38	106 VELDA ROSE LANE		CONROE	TX	77304
21	BWAB INC	44.35	100 SAINT PAUL STREET #305		DENVER	CO	80206
22	BWAB INCORPORATED	236.64	100 SAINT PAUL STREET #305		DENVER	CO	80206
23	CAD IRREVOCABLE TRUST DTD 1/10/15	0.00	9179 W 50TH LANE UNIT 3		ARVADA	CO	80002
24	CALR R OSWALD TRUST LLC	44.69	14707 N 95 ST		LONGMONT	CO	80504
25	CAROL ANN FIEDLER	715.09	3597 MILL LAKE DRIVE		DOUGLASVILLE	GA	30135
26	CARROLL A MARCUS	3,076.75	9965 WELD COUNTY ROAD # 2		BRIGHTON	CO	80603
27	CHAD PARKER &	53.05	7731 COUNTY ROAD 24		LONGMONT	CO	80504
28	CHARLENE A BORDERS	22.16	PO Box: 357		COLDWATER	MS	38618
29	CHARLES MILLER GRANT	68.23	WALLACE H GRANT AIF	423 BOWEN STREET	LONGMONT	CO	80501
30	CHARLES STROMQUIST	218.65	12467 OXFORD ROAD		LONGMONT	CO	80504
31	CHARLOTTE L POLAND	725.35	18938 WELD COUNTY ROAD 22		FORT LUPTON	CO	80621
32	CHRISTOPHER W GRENEMYER	0.06	10485 E TELLURIDE CT		COMMERCE CITY	CO	80022
33	CLIFF DOWDY	155.30	6 SILVER HILLS COURT		ROZET	WY	82727-8809
34	CLIFFORD S WAGNER	1,751.83	638 WELD COUNTY ROAD 19		BRIGHTON	CO	80603
35	CMS MINERALS II LLC	0.83	1300 POST OAK BLVD STE 800		HOUSTON	TX	77056
36	CONNIE LOU MAGERS TRUST	7.87	1328 S HUMBOLDT ST		DENVER	CO	80210
37	CYNTHIA ELLEN PARKER	1,968.64	1790 IRIS AVE		FAIRFIELD	IA	52556
38	DAVID C REITZ AND	1,343.57	10898 COUNTY RD 28		FORT LUPTON	CO	80621
39	DAVID H CROW &	1.15	255 W HILL CT		FORT LUPTON	CO	80621
40	DEBBIE DOWDY	155.30	1216 NORTH 6TH PLACE		PORT HUENEME	CA	93041-2527
41	DEBORAH M SULLIVAN	23.84	3245 LAKESHORE DR		LONGMONT	CO	80503
42	DECK CAMERON REICHERT	209.00	23056 COUNTY ROAD 34 1/2		LA SALLE	CO	80645
43	DELBERT L FAST	19.60	1357 43RD AVE APT 40		GREELEY	CO	80634
44	DIETER ROBERT KOMINSKI	19.60	613 VIA SANTA PAULO		VISTA	CA	92081
45	DONNA M SCHNITZEN FAMILY TRUST	1.28	446 MALLARD DRIVE		SANTA ROSA, CA	CA	95401
46	DONNA R MAHONEY	8.10	PO Box: 30		VICTOR	MT	59875
47	DOUGLAS D RHOADES	145.86	PO Box: 970		CHINO VALLEY	AZ	86323
48	DOUGLAS GRANT	55.63	1217 FOX HILL DR		LONGMONT	CO	80501-5212
49	DUGAN FLYNN	52.93	7733 CR 24		LONGMONT	CO	80504
50	E KENT CRISMAN	305.96	41775 E 48TH AVE		BENNETT	CO	80102
51	E SCOTT CONDREAY	1,242.47	6303 GALLEGOS DRIVE		WEST LAFAYETTE	IN	47906
52	EDNA L BLANK	0.70	608 GLEN MOOR		DACONO	CO	80514
53	ELAINE R BLANK	0.70	608 GLEN MOOR		DACONO	CO	80514
54	ELIZABETH WARD WALTERS	367.45	PO Box: 636		HUDSON	CO	80642
55	ERNEST R OWEN	56.65	508 36 3/4 ROAD		PALISADE	CO	81526
56	ESPERANZA CORPORATION	51.69	475 17TH ST STE 980		DENVER	CO	80202
57	ESTATE OF LORNA L ROGERS	26.72	3206 S CR 29		LOVELAND	CO	80537
58	ESTHER A MORISON	0.69	1539 BELMONT DRIVE		LONGMONT	CO	80503
59	EUGENE K WATADA &	1.33	135 W HILL CT		FORT LUPTON	CO	80621
60	FAIRCHILD ZIMMERMANN LLC	1.11	40499 GLEN MEADOW PLACE		ALDIE	VA	20105
61	FAMUER RASMUSSEN	158.11	7750 WCR 5		LONGMONT	CO	80504
62	FARMERS RESERVOIR AND IRRIGATION CO	5,301.45	80 SOUTH 27TH AVENUE		BRIGHTON	CO	80601
63	FBO INVESTMENTS LLLP	38.48	4643 S ULSTER STREET, SUSAN STROSKY	SUITE 1210 160 S COEUR D ALENE ST #A103	DENVER	CO	80237 99201
64	FERGUSON FAMILY REVOCABLE TRUST	284.65			SPOKANE	WA	
65	FLORENCE IRENE WISEK	33.41	1715 ELLEN CT		LOVELAND	CO	80537
66	FRANKLIN RESOURCES LIMITED	19.97	1110 E LAYTON AVENUE		ENGLEWOOD	CO	80113
67	FREDERICK DEVELOPMENT COMPANY INC	173.33	2500 ARAPAHOE AVE STE 220		BOULDER	CO	80302
68	FREDERICK V DOWDY	216.46	215 NORTH 50TH PLACE		GREELEY	CO	80634
69	GEORGE W AND DANA D CLAY	0.59	1505 PB LANE STE A		WICHITA FALLS	TX	76302-2631
70	GEORGE W CLAY IV & DANA D CLAY TE	3.80	1505 P B LANE		WICHITA FALLS	TX	76302
71	GERALDINE F SCOTT	346.63	1639 GAY STREET		LONGMONT	CO	80501
72	GITTELMAN I LLLP	0.04	1720 SOUTH BELLAIRE ST.	STE 1209	DENVER	CO	80222
73	GORDON M SIERT FAMILY TR	483.31	343 S 20TH AVE		BRIGHTON	CO	80601
74	GRENEMYER MINERAL INTERESTS LLC	1,125.96	526 CAMERON COURT		LONGMONT	CO	80642
75	HELEN L SIERT GENERAL PARTNER	531.59	343 S 20TH AVE		BRIGHTON	CO	77066

76	ILENE M KMOCH	725.34	4522 LUCCA DRIVE		LONGMONT	CO	75284-0722
77	IMOGENE TEPPERT	14.60	RR2 BOX 923		BAYARD	NE	80513
78	J A DOWDY	1,242.47	660 US HIGHWAY 20 N		THERMOPOLIS	WY	80516
79	JACK M GORCE	1.85	1422 NORTH STREET		BOULDER	CO	80216
80	JAMES A BLANK	0.70	4535 COLORADO BLVD		DACONO	CO	80304
81	JAMES F FIEDLER	715.08	2749 COUNTY ROAD 1600 EAST		RANTOUL	IL	37814
82	JAMES W GRAY	358.86	29371 CAMELBACK LN		EVERGREEN	CO	75229
83	JAMES WILLIAM WHITNEY	828.32	PO Box: 795		BAKER	MT	80621
84	JAMIE BYBEE	29.43	1540 UTICA ST		DENVER	CO	75225
85	JANA CIPOLLA	34.42	10671 LIVINGSTON DR		NORTHGLENN	CO	75225
86	JANE DOWDY	778.10	PO Box: 1034		UPTON	WY	80621-4607
87	JD FORD	183.75	2624 WCR 17		BRIGHTON	CO	83642-3336
88	JERRI LYNN MODRALL DOERING	29.43	9025 SILVER BIRCH BLVD		FREDERICK	CO	80005
89	JOHN C WALLACE	4.43	4153 COUNTRY CLUB DRIVE		LONG BEACH	CA	33408
90	JOHN D STEPHENSON FAMILY TRUST	1.25	1575 OCEAN SHORE BLVD	#602	ORMOND BEACH	FL	63017
91	JOHN MICHAEL FARRELL	407.52	8145 WEST 71ST AVE		ARVADA	CO	80022
92	JOHN W BLANK	0.69	201 BISCOE AVENUE		O'FALLON	MO	80621-1926
93	JOLENE ARNOLD	183.76	1494 WCR 63		KEENESBURG	CO	80621-1822
94	JONATHAN D GLOVER	4.43	7261 WELD COUNTY ROAD 31		FORT LUPTON	CO	80621
95	JONATHAN MAHANN GLOVER	24.40	7241 WELD COUNTY ROAD 31		FORT LUPTON	CO	80645
96	JONATHAN RODERICK LIV TRST	0.03	PO Box: 7961		BOULDER	CO	80643
97	JONATHAN S & CAROL RODERICK JT	0.06	PO Box: 7961		BOULDER	CO	75205
98	JUDITH HUNT COBOURN	0.10	182 COLONIAL PARK DRIVE		SANTA ROSA	CA	80621
99	JULIE BROWDER	160.50	7551 W KIMBERLY WAY		GLENDALE	AZ	95403
100	KATHLEEN L PENNELLA	454.27	1140 JUDSON DR		BOULDER	CO	80621-1318
101	KAWAKAMI FARMS LLLP	1,384.49	10898 COUNTY RD 28		FORT LUPTON	CO	65804
102	KENNETH R VAUGHTERS	3.01	5566 FIR AVE		ERIE	CO	65613
103	KENNETH R WAGNER	1,751.83	648 WELD COUNTY ROAD 19		BRIGHTON	CO	80215
104	KERRI JO BREWER	64.95	80 MOUNTAIN ASH CT		MILLIKEN	CO	98532
105	KIYOTA PROPERTIES LLC	2,182.39	11964 WCR 21-1/2		FORT LUPTON	CO	80293
106	KOLL TRUST DTD 2-8-1990	1.11	1551 E CHEVY CHASE DR # 203		GLENDALE	CA	80621
107	KRIS CHALLIS	2.55	1000 SENNYBRIDGE DR		YUKON	OK	78006
108	KURT W CONNER	46.03	2797 BUCKNER LANE		THOMPSON STATION	TN	98382
109	KURT W CONNER FAMILY TRUST	1.63	JENNIFER K BABER TSTES	PO Box: 289	THOMPSONS STATION	TN	80621
110	KYLE T FAIR	0.00	1703 DAVON LN		HOUSTON	TX	75156
111	LARRY DEAN GILBERT	58.22	4926 BEL AIRE ROAD		DES MOINES	IA	37179
112	LARRY L RULE	4.34	PO Box: 189		BRIGHTON	CO	80233
113	LAURA L WILLIAMS	183.75	8452 HAWKVIEW DRIVE		FORT WORTH	TX	80621
114	LAURIE M MILLS	145.86	64 HAPPY CABIN RD		PINE HAVEN	WY	80723
115	LENA MAE GRANT IRREVOCABLE TRUST	2.93	4880 WEST DIVISION ROAD		CRAWFORDSVILLE	IN	80018-6009
116	LENNAN MAIN LTD	22.52	PO Box: 1718		FORT WORTH	TX	82721
117	LETICIA MAY GASCOIN	2.73	22274 DAVENRICH ST		SALINAS	CA	79606-5127
118	LIDWINA L CLEMENTS	23.85	3525 LARKSPUR DR		LONGMONT	CO	76101
119	LIGHTHOUSE COVE HOMEOWNERS ASSOC	77.25	PO Box: 1372		PARKER	CO	67850
120	LILLIAN IRENE BRUNTZ	530.47	6212 W 14TH STREET RD.		GREELEY	CO	65674
121	LINDA JO CAMPBELL	34.94	3206 S COUNTY ROAD 29		LOVELAND	CO	80503
122	LINDA L LOCKWOOD	0.62	3007 67TH AVE WAY		GREELEY	CO	80634
123	LINDA TEPPERT	2.29	16507 E TUFTS AVE		AURORA	CO	80651
124	LISA SULLINGER	7.38	3870 HICKORY FLATS ROAD		LEITCHFIELD	KY	94559-4277
125	LLOYD L LAND	3,787.86	12501 RIVERDALE ROAD		BRIGHTON	CO	80537
126	LOLA CORDINGLY	1,242.47	725 AMORETTI ST APT 1		THERMOPOLIS	WY	80634
127	LON A SEYMOUR	0.15	7467 W CEDAR CIR		LAKEWOOD	CO	72801-7601
128	LORRAINE STROMQUIST	22.09	8152 N 119TH ST		LONGMONT	CO	80602
129	LUTHER STROMQUIST	0.29	1649 METROPOLITAN DRIVE		LONGMONT	CO	80601-5314
130	MAGIC M&R LLC	0.07	1720 S BELLAIRE ST STE 1209		DENVER	CO	54724
131	MALLARD LLC	274.42	1649 METROPOLITAN DR		LONGMONT	CO	90404
132	MARCELLA K BURDETTE	715.08	609 MEADOWS COURT		RANTOUL	IL	80222
133	MARGARET C GEROSIN TRUST	2.40	MARGARET C GEROSIN TSTE	316 MID VALLEY CENTER #145	CARMEL	CA	80501
134	MARIA VENANCIA OROZ	6.94	PO Box: 1146		MOUNTAIN VIEW	WY	80530
135	MARJORIE M ZIMMERMANN	2.22	2502 15TH AVE		GREELEY	CO	82939
136	MARK BIRKIN	753.47	13807 SHADY SHORES DR		TAMPA	FL	80621
137	MARTIN GUTIERREZ &	27.15	7717 COUNTY ROAD 31		FORT LUPTON	CO	80621
138	MARTIN J FREEDMAN R&M LLP	913.94	PO Box: 631999		LITTLETON	CO	80601
139	MARTIN J GORCE	1.85	200 FAIR PLACE		BOULDER	CO	80202-4019
140	MARTIN JIMENEZ	1.18	1068 COTTONWOOD AVE		FORT LUPTON	CO	97116
141	MARTIN MARIETTA MATERIALS INC	99.56	1627 COLE BOULEVARD, SUITE 200	ATTN: LAND MANAGEMENT	LAKEWOOD	CO	80206
142	MARY ANN LOPEZ	305.96	41635 E 48TH AVE		BENNETT	CO	80210
143	MARY JEANINE HIRSH	29.81	140 MT MASSIVE WAY		LONGMONT	CO	80621
144	MARY JO REUTH	39.92	9735 WCR 7		LONGMONT	CO	80401-9214
145	MARY R DOWDY	153.40	618 HOYT STREET		MOLALLA	OR	85745
146	MAYRENE KIVOTA	1,393.56	11935 WCR 21 1/2		FT LUPTON	CO	80621
147	MCCLINTOCK & NIKOLORIC LLC	2.50	PO Box: 1588		TULSA	OK	80004-2084
148	MCWILLIAMS LLC	1.47	620 LANTERN PARKWAY		KERRVILLE	TX	80651
149	MELVIN DINNER & DIANE M DINNER T/C	65.54	3660 EAST DARTMOUTH		DENVER	CO	74101
150	MICHAEL D BREWER	241.78	1720 58TH AVENUE		GREELEY	CO	80210
151	MICHAEL ECKSTINE	515.99	1314 HWY 66		LONGMONT	CO	80035-1747
152	MICHAEL ECKSTINE &	33.84	1314 HWY 66		LONGMONT	CO	80035-1747
153	MICHAEL L & DEBRA A ZEIGLER	54.20	1655 GRAVES LANE		MACEO	KY	80504
154	MICHAEL L CAMPBELL	34.97	2962 LAKE DRIVE		LOVELAND	CO	80504
155	MODESTA MONTOYA	54.67	412 W UNION AVE		LA SALLE	CO	80501
156	MOLLY CATHERINE BEVERLIN	828.32	PO Box: 212286		ANCHORAGE	AK	80645
157	MONICA NATIVIDAD OROZ	6.94	54 PARQUE DEL ORIENTE		SAN JUAN	PR	80501
158	NANCY FRANKLIN REM	1,868.70	1716 OAKMONT DR		DECATUR	IL	80202
159	NANCY S KEETH BAUGHMAN	47.66	1001 EVANS STREET		FRANKLIN	TN	80237

160	NOBLE ENERGY INC	15.75	PO Box: 910083		DALLAS	TX	80516
161	OLA RAE JOHNSON	145.86	PO Box: 533		PINE	AZ	80237
162	OLD WEST TOURS	4.12	33 W BRUNDAGE ST STE 402		SHERIDAN	WY	49684
163	OLEO ACRES MINERALS LLC	0.34	5251 DTC PKWY STE 425		GREENWOOD VILLAGE	CO	53719
164	OSWALD FAMILY TRUST DTD 4/27/98	5.04	PO Box: 280969		LAKEWOOD	CO	80237
165	PAUL K LAYBOURN	8.31	2909 WELD COUNTY ROAD 20 1/2		LONGMONT	CO	80621
166	PAUL L MCCULLISS	1.08	P O BOX 3248		LITTLETON	CO	80621
167	PINTO INVESTMENT PARTNERS LP	0.23	3737 BUFFALO SPEEDWAY,	SUITE 1100	HOUSTON	TX	70505
168	PIRTLE PROPERTIES LP	118.84	PO Box: 3480		OMAHA	NE	75070
169	POLICARPO OROZ	20.85	PO Box: 1290		RAWLINS	WY	80516
170	PROMINENCE ROYALTIES LLC	424.45	PO Box: 870		FIRESTONE	CO	80534-0561
171	PUBLIC SERVICE CO OF COLORADO	341.52	ATTN: W.E. MILLER	1800 LARIMER ST STE 1400	DENVER	CO	80621
172	PUBLIC SERVICE COMPANY OF COLORADO	224.61	ATTN: W. E. MILLER	1800 LARIMER ST STE 1400	DENVER	CO	90066
173	PUMPKIN BUTTES LLC	0.66	PO Box: 1989		CASPER	WY	68103
174	RAISA H LLC	0.23	PO Box: 987		DENVER	CO	75070
175	RANDY TEPPERT	2.24	330771 HIGHWAY 92		BAYARD	NE	80202
176	RASMUSSEN FAMILY FARMS LLP	316.30	8120 CR 1		LONGMONT	CO	80202-4256
177	RAYMOND EDWARD MANTLE	65.30	20560 WCR 42		LA SALLE	CO	80516
178	RAYMOND O NELSON	23.84	3333 SOUTHEAST JEFFERSON		STUART	FL	80201
179	RHONDA BUESCHER	0.62	3807 BLUE SAGE RD		CHEYENNE	WY	77252
180	RICHARD E & ROCHELLE COUFAL JT	98.06	9701 WELD COUNTY ROAD 7		LONGMONT	CO	80621
181	ROBERT J CONNER	29.54	2999 WELD COUNTY ROAD 20 1/2		LONGMONT	CO	80513
182	ROBERT KENT DAWKINS	508.95	6500 S QUEBEC STREET, NO 300		ENGLEWOOD	CO	80621
183	ROBERT O NELSON	95.72	543 GAY ST		LONGMONT	CO	80504
184	ROBERT S PIRTLE	311.58	PO Box: 1310		TYLER	TX	80501
185	ROBERT SELTZER FAMILY TRUST	7,722.11	33641 WELD COUNTY ROAD 83		BRIGGSDALE	CO	80110
186	ROBERT TEPPERT	2.39	649 COLUMBUS DR		TERRA VERDE	FL	79416
187	ROBERTA L SMITH	44.37	12706 SHILOH ROAD		GREELEY	CO	80516
188	RONALD J HUNT	0.10	446 MALLARD DRIVE		SANTA ROSA	CA	80516
189	RONALD TEPPERT	2.45	4628 S IVORY CT		AURORA	CO	80621-2009
190	ROXIE D BARCLAY-AUGUSTINE	23.86	13123 WELD COUNTY ROAD 30		PLATTEVILLE	CO	95401
191	ROY HARDY	188.02	860 MARTIN ST		LONGMONT	CO	32054
192	RUSSELL D DOWDY	216.53	111 PEPPERMINT LANE		THERMOPOLIS	WY	80220
193	RUTH ANNA SOUTHWICK	18.61	771 COLUMBINE STREET		DENVER	CO	75225
194	RUTH MERLE MARTIN	4,363.38	8592 WELD COUNTY ROAD 24		FORT LUPTON	CO	80621
195	SCOTT E BREWER	241.78	5003 ENCLAVE COURT		MC KINNEY	TX	74103
196	SELTZER FARMS INC	6,724.11	9390 168TH AVENUE		BRIGHTON	CO	80621-1212
197	SHANDA PLOCK	0.01	1860 GLEN AYR DRIVE		LAKEWOOD	CO	80109
198	SHARON KAY CERETTO JT	241.78	201 SECOND STREET		FORT LUPTON	CO	80516
199	SHARON TEPPERT	2.48	16507 E TUFTS AVE		AURORA	CO	80601
200	SHAUN DOLAN	0.00	091-10701 APARTADO CIUDAD COLON MORA		SANTA ANA SAN JOSE	INT	80621
201	SLASH V LLC	71.12	23 ALLES ACRES		GREELEY	CO	64116
202	STEPHEN E GRAHAM &	29.02	5705 SW JOSHUA ST		TUALATIN	OR	76450
203	STEPHEN G DOWDY	14,682.78	3101 N WINTHROP		MESA	AZ	53719
204	STEPHEN P BLANK	0.69	240 AN COUNTY ROAD 386		PALESTINE	TX	75225
205	STEVEN A CAMPBELL	35.02	1904 GREENBRIAR CIRCLE		JOHNSTOWN	CO	80504
206	SUSAN RAE MOZGA	58.22	4926 BEL AIRE ROAD		DE MOINES	IA	80621
207	T E MCCLINTOCK T/W FBO MARY M SWIFT	3,446.72	PO Box: 1588		TULSA	OK	99201
208	TAMMY JILLSON PENN	156.87	9360 COUNTY ROAD AAA		TULIA	TX	78572
209	TAMMY MOORE	184.52	PO Box: 188		MAIZE	KS	80112
210	TELEP FAMILY LIMITED PARTNERSHIP	1.25	TWIN PEAKS 3, LLC GENERAL PARTNER	409 REMUDA DRIVE	FORT WORTH	TX	80621-0007
211	THE ESPERANZA CORP	66.70	475 17TH STREET SUITE 980		DENVER	CO	80621-2020
212	THE FARMERS RESERVOIR AND	18.38	80 S 27TH AVE		BRIGHTON	CO	80621-1439
213	THE NEAL DEVORE AND	300.81	NEAL & DEANNA DEVORE TSTEEES	426 DAVIS MOUNTAIN CIRCLE	GEORGETOWN	TX	80202-4019
214	THE SANDRA K CONNER TRUST	190.67	5303 S BELLVIEW ROAD		ROGERS	AR	85374
215	THOMAS C WALLACE	4.48	17 CHERRY VALE DRIVE		ENGLEWOOD	CO	80016
216	THOMAS J GRAY	358.86	420 S MARION PKWY #1501		DENVER	CO	69103-2075
217	THOMAS L ARNOLD	828.32	PO Box: 98		NEWCASTLE	WY	80621-1917
218	THOMAS M AND ALICE HOLTON	325.42	12032 HIGHWAY 52		FORT LUPTON	CO	97355
219	TIAGO CORP	16.20	PO Box: 370053		DENVER	CO	76102
220	TIMOTHY C SOLOMON AND	412.88	7751 CR 24		LONGMONT	CO	80209
221	TIMOTHY J PIVONKA	15.58	2116 E HIGHWAY 402		LOVELAND	CO	80621
222	TOM CIPOLLA	13.76	10671 LIVINGSTON DR		NORTHGLENN	CO	40207
223	TRENT J CITO AND KENDRA P CITO	19.79	3019 COUNTY ROAD 20 1/2		LONGMONT	CO	80233
224	TRP MINERALS LLC	0.12	4545 POST OAK PLACE DR	STE 212	HOUSTON	TX	76430
225	TRUDY F PERRY	23.84	4809 FOOTHILLS DR		BERTHOUD	CO	65674
226	TRUMAN E GRAY	717.72	1636 SONATA LN		SAN MARCOS	CA	11050
227	VERA J RODMAN	530.47	140 SETTLERS COVE		EATON	CO	73156
228	VICKI F ROGNMOE	0.62	PO Box: 371708		DENVER	CO	80601
229	VIRGINIA R BURSON	725.34	951 17TH AVENUE # 68		LONGMONT	CO	80621-2617
230	WALLACE H GRANT	55.63	423 BOWEN STREET		LONGMONT	CO	80621
231	WENDALL DOUGLAS PHILLIPS	8.41	2035 EAGLE VIEW DRIVE		COLORADO SPRINGS	CO	80621-1933
232	WILLIAM & MELINDA DISTEL	78.42	7741 CR 24		LONGMONT	CO	87501
233	WILLIAM C GUMESON	202.21	6893 S COUNTRYWOODS CIR	APT C	MIDVALE	UT	75644
234	WILLIAM E KOBABEL AND	956.49	7909 WELD COUNTY ROAD 5		LONGMONT	CO	75231
235	WILLIAM HAYDEN	7.38	2028 YOSEMITE LN		KELLER	TX	80407
236	WILLIAM NELSON AMEN	29.81	7987 UTE HIGHWAY		LONGMONT	CO	80504
237	WOLF RESOURCES LLC	211.68	621 17TH STREET #1601		DENVER	CO	80503



# EXHIBIT 3





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JUDICIAL ARBITER GROUP, INC.

JAG Case No. 2016-0455A

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Barclay Farms, LLC, et al. and the similarly situated EnCana Class Action Lawsuit Class members,

Claimants.

v.

EnCana Oil and Gas (USA), Inc.,

Respondent.

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**Order Approving Settlement Agreement and  
Reimbursement of Claimants Litigation Expenses**

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The parties have filed a Joint Motion for Approval of Class Settlement Agreement (“Settlement Agreement”). Class Claimant’s counsel in the motion has separately requested reimbursement of litigation expenses. Respondent takes no position on the request. After reviewing the motion and request, and good cause appearing, the Arbitrator enters the following order.

Based on the filings and hearings in this matter, the Arbitrator finds that the Settlement Agreement is fair, reasonable, and adequate. The Settlement Agreement, including the releases therein, is hereby incorporated into this Order.

Within fourteen (14) days of the date of this order approving this Settlement Agreement, Respondent will deposit into the trust account for the Law Offices of George

A. Barton, P.C. (“Class Counsel”), a total of Fifty Thousand (\$50,000). The total shall represent payment to Claimants and the Class in order to resolve all claims asserted in this arbitration. In addition, Respondent will be responsible for payment of invoices submitted by JAG in regards to its services provided in adjudicating the claims set forth in this arbitration, as set forth in the Settlement Agreement.

Upon receipt of the \$50,000, Class Counsel shall file a motion to dismiss this arbitration, JAG No. 2016-0455A, with prejudice. The Arbitrator will grant the motion after all JAG invoices have been paid.

As also provided in the Settlement Agreement, Respondent will provide Class Counsel with the names and addresses of all Paragraph 10(a) Sub-Class members to whom Respondent paid royalties, and Class Counsel will pay the balance of the settlement funds after reimbursement of litigation expenses, as next discussed.

After reviewing the Claimants’ application for reimbursement of the reasonable litigation expenses incurred by Class Counsel in prosecuting arbitration, the Arbitrator made the following findings:

Class Counsel have reasonably incurred unreimbursed litigation expenses through the prosecution of this arbitration proceeding since March 2016, and will reasonably incur additional litigation expenses in distributing the Settlement Amount to the Class Members. A summary of the total litigation expenses that will be incurred by Class Counsel through the completion of this arbitration proceedings are as follows:

- a) Photocopying – \$873.15
- b) Federal Express – \$168.23

- c) ECF – Electronic Case Filing – \$728.61
- d) Computer Legal Research – \$1,769.00
- e) Service of process fees – \$100.00
- f) Pro Hac Vice fees paid to Colorado Supreme Court – \$600.00
- g) Travel expenses – \$1,512.72
- h) Bill from Judicial Arbitrator Group – \$5,145.50
- i) Expert Witness Fees – \$13,625
- j) Checks for Settlement Distribution – \$1,485.99
- k) Postage for Settlement Distribution – \$1,893.63
- l) Envelopes for Settlement Distribution – \$549.90
- m) Computer and Copy Cost Settlement distribution – \$200.00
- n) Contract Labor Stuffing envelopes for Settlement distribution  
\$250.00

The total litigation expenses incurred and to be incurred through the completion of this arbitration for which Class Counsel shall be reimbursed are in the total amount of \$29,023. The litigation expenses for which Class Counsel seek reimbursement are the type of expenses typically billed by attorneys to paying clients in the marketplace. The amounts are reasonable, and the expenses were reasonably and necessarily incurred by Class Counsel for the prosecution of this class action arbitration.

Class Counsel shall be reimbursed in the total amount of \$29,023 from the Settlement Amount. As provided in the Joint Motion, Class Counsel will distribute the net amount remaining from the 2018 Class Settlement Fund after reimbursement of litigation expenses.

The parties in their Joint Motion have agreed that, pursuant to the Colorado Court of Appeals decision in *EnCana Oil and Gas (USA) Inc. v. Miller*, 405 P.3d, 488 (Colo. App. 2017), no additional notice of the Settlement Agreement will be sent to the members of the Class. In that decision, the Court concluded that Class Counsel was not required to

give additional notice of the arbitration demand to Class members, who had received sufficient notice after the Class was initially certified and after the district court preliminarily approved the earlier settlement agreement. The Court noted that, if the arbitrator later believed that further notice were appropriate, the arbitrator could address the issue in the arbitration proceeding. In light of the de minimus funds to be distributed, the comparatively prohibited cost of providing further notice, and the lack of any basis for concluding that it is probable any substantially greater amount could be recovered with further litigation, it is appropriate that the settlement be completed without further notice, other than that explanation which will be provided with distribution of the settlement proceeds.

In accordance with Paragraph 17(g) of the Settlement Agreement, Respondent shall bear its own fees and costs. Respondent will have no obligation to bear the fees, costs, or expenses of the Class or Class Counsel, other than payment of invoices for arbitration expenses, as previously discussed and as provided in the Settlement Agreement.

Ordered this 18th day of February, 2019.

A handwritten signature in cursive script that reads "Steve C. Briggs". The signature is written in black ink and is positioned above a horizontal line.

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Steve C. Briggs, Arbitrator  
Judicial Arbitrator Group, Inc.

CERTIFICATE OF SERVICE

I hereby certify that on this 18th of February, 2019, a true and correct copy of the foregoing Order Approving Settlement Agreement and Reimbursement of Claimants Litigation Expenses was served via electronic filing (File & ServeXpress), addressed to the following:

All Counsel of Record

Original Signature on File

Jackie Burt, Administrative Clerk  
Judicial Arbiter Group, Inc.