

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

MICHAEL KERNEN, on behalf of )  
himself and all others similarly situated, )  
 )  
Plaintiff, )  
 )  
v. )  
 )  
CASILLAS OPERATING, LLC, )  
 )  
Defendant. )

Case No. CIV-18-00107-JD

**LONG FORM NOTICE OF PROPOSED SETTLEMENT,  
MOTION FOR ATTORNEYS' FEES, AND FINAL 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 whether you act or not.*** Read this Notice carefully to see what your rights and options are in connection with this Settlement.<sup>1</sup>

- On August 17, 2021, the Court preliminarily approved a Settlement in the above-captioned litigation (the “Litigation”) between Plaintiff, Michael Kernen (“Plaintiff”), on behalf of himself and the Settlement Class, and Casillas Operating, LLC (“Defendant”). The Litigation and the defenses of Defendant are described in the Answer to Question No. 2 below. Capitalized terms not otherwise defined in this notice shall have the meanings attributed to those terms in the Settlement Agreement referred to below.
- Defendant has agreed to pay \$2,700,000.00 in cash (“Gross Settlement Fund”) in settlement of all claims covered by the Litigation. In exchange, the Settlement Class shall release all Released Claims (as defined below in the Answer to Question No. 2) the Releasing Parties may have against the Released Parties (as defined below in the Answer to Question No. 2). The Gross Settlement Fund, less Plaintiff’s Attorneys’ Fees, Litigation Expenses, any Case Contribution Award awarded by the Court, other costs approved by the Court, and Administration, Notice, and Distribution costs, (the “Net Settlement Fund”), will be distributed to Class Members who qualify for a distribution.
- The Settlement Class definition and exceptions are listed below in Question No. 5: “**How do I know whether I am part of the Settlement Class?**” and Question No. 6: “**Are there other exceptions to being included?**”
- Defendant expressly denies 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.

<sup>1</sup> This Notice summarizes and is qualified in its entirety by the Amended Stipulation and Agreement of Settlement (“Settlement Agreement”) and the documents referenced therein, which set forth the terms of the Settlement. Please refer to the Settlement Agreement for a complete description of the terms and provisions thereof. A copy of the Settlement Agreement is available at [www.kernen-casillas.com](http://www.kernen-casillas.com).

Questions? Go to [www.kernen-casillas.com](http://www.kernen-casillas.com) or call 1-833-667-1236

- Counsel for Plaintiff (“Plaintiff’s Counsel”) intends to seek an award of attorneys’ fees up to \$1,080,000.00 to be paid from the Gross Settlement Fund. Plaintiff’s Counsel have been litigating this case for over three (3) years without any payment whatsoever, advancing hundreds of thousands of dollars in labor and expense. Plaintiff’s Counsel will also request reimbursement of the expenses they have incurred in connection with the prosecution of this Litigation, and will incur through final distribution, which will not exceed \$200,000.00, and Administration, Notice, and Distribution Costs up to \$175,000.00. These amounts will be paid from the Gross Settlement Fund. In addition, Plaintiff intends to seek a Case Contribution Award of up to \$15,000.00 to be paid from the Gross Settlement Fund for his representation of the Class.
- In reaching the Settlement, Plaintiff and Defendant have avoided the uncertainty, cost and time of a contested class certification proceeding and trial. Plaintiff has agreed to the Settlement to avoid the risk that the Settlement Class could not be certified in a contested class action and that some or all of the claims of the Settlement Class against Defendant could be dismissed.

<b>YOUR LEGAL RIGHTS AND OPTIONS</b>	
<b>You Do Not Need To Take Further Action To Participate In The Settlement</b>	If the Settlement is approved, you do not need to take any further action to participate in the Settlement and receive a payment. The portion of the Net Settlement Fund to which you are entitled will be calculated as part of the administration of the Settlement.
<b>Exclude Yourself (by November 3, 2021, at 5 p.m. Central Time)</b>	If you do not wish to be a member of the Settlement Class, you <i>must</i> exclude yourself (as described below in Answer to Question No. 13 and in the Settlement Agreement) and you <i>will not</i> receive any payment from the Net Settlement Fund. You cannot bring or be part of another lawsuit or arbitration against any of the Released Parties based on any Released Claims unless you exclude yourself from the Settlement Class.
<b>Object (by November 3, 2021, at 5 p.m. Central Time)</b>	If you do not exclude yourself and you wish to object to any part of the Settlement, the attorneys’ fees or litigation costs requested by Plaintiff’s Counsel, or the Case Contribution Award requested by Plaintiff, you may (as discussed below in Answer to Question No. 18 and in the Settlement Agreement) write to the Court about your objections.
<b>Attend the Final Fairness Hearing (to be held on November 17, 2021)</b>	If you have submitted a valid and timely written objection to any aspect of the Settlement, the attorneys’ fees or litigation expenses requested by Plaintiff’s Counsel, or the Case Contribution Award requested by Plaintiff, you may (but do not have to) attend the Final Fairness Hearing and present your objections to the Court at that hearing (as described below in Answer to Question No. 22 and in the Settlement Agreement).

<b>Do Nothing</b>	If you are a Class Member and do nothing, you will be bound by the terms of the Settlement as set forth in the Settlement Agreement and the documents referenced therein, will be bound by the release and agreement not to sue the Released Parties, will receive your portion of the Net Settlement Fund (if any), and will not be able to bring or pursue any Released Claims in any other lawsuit or arbitration. It is your responsibility to familiarize yourself with the Settlement and all other documents regarding the Settlement that can be found at <a href="http://www.kernen-casillas.com">www.kernen-casillas.com</a> .
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- **These rights and options—and the deadlines to exercise them—are explained in this Notice and in the Settlement Agreement. Please note that the date of the Final Fairness Hearing—currently scheduled for November 17, 2021—is subject to change without further notice. If you plan to attend the Final Fairness Hearing, you should check the Court’s docket or [www.kernen-casillas.com](http://www.kernen-casillas.com) to be sure no change to the date and time of the hearing has been made.**
- The Court in charge of this case still has to decide whether to approve the Settlement. Payments will be made to Class Members only if the Court approves the Settlement and that approval is upheld in any appeals that may be filed.

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## BASIC INFORMATION

### **1. Why did I get a postcard notice or this Notice package?**

You are being sent a postcard notice or this Notice because you may be a member of the Settlement Class in the Litigation as described herein. Payment history records reflect that you have received payments from Defendant (or someone paying proceeds on Defendant's behalf) for oil and gas production proceeds from oil and gas wells in Oklahoma during the Claim Period (as defined in the Settlement Agreement and in the answer to Question No. 2). This Notice is not intended to be, and should not be construed as, an expression of any opinion with respect to the merits of the allegations in the Petition filed in the Litigation. This Notice explains the claims being asserted in the Litigation, explains the Settlement, explains your right to remain a member of the Settlement Class (see Answer to Question No. 12), explains your right to opt out of the Settlement Class and be excluded from the Settlement (see Answer to Question No. 13), and explains your right to object to the Settlement (see Answer to Question No. 18).

The Court caused the postcard notice to be sent to you because, if you fall within this group and are not otherwise excluded from the Settlement Class, your rights will be affected and you have a right to know about the proposed Settlement, and about all of your options, before the Court decides whether to approve the Settlement. If the Court approves it, after any objections and appeals are resolved, the Court-appointed Settlement Administrator will cause payments to be made to Class Members in accordance with the Settlement Agreement.

This Notice package describes the Litigation, the Settlement, your legal rights, what benefits are available, who is eligible for them, and how to get them.

The Court in charge of this Litigation is the United States District Court for the Western District of Oklahoma. The person prosecuting this Litigation on behalf of the Class is called the "Plaintiff" and the company it is suing is called the "Defendant." This case, also called the "Litigation," is known as *Michael Kernen v. Casillas Operating, LLC*, Case No. CIV-18-00107-JD.

### **2. What is the Litigation about?**

The Litigation seeks damages for Defendant's alleged failure to pay statutory interest on payments made by Defendant (or on behalf of Defendant) outside the time periods set forth in the Production Revenue Standards Act, OKLA. STAT. tit. 52, § 570.1, *et seq.* (the "PRSA") for oil and gas production proceeds from oil and gas wells in Oklahoma. Specifically, in the Petition, Plaintiff alleges Defendant: (1) failed to investigate and pay statutory interest on payments made outside the time periods set forth in the PRSA; (2) misrepresented and/or omitted the amount of statutory interest owed; and (3) is liable to Class Members for breach of the PRSA, breach of the duty to investigate and pay interest, fraud, disgorgement, accounting, punitive damages, and injunctive relief.

Defendant denies any and all liability related to Plaintiff's allegations and further states that neither Plaintiff nor any of the Class Members are entitled to the relief sought in the Litigation and further states that it would not be appropriate to award any type of damages, an accounting, disgorgement, punitive damages or injunctive relief to the Class Members. Defendant further denies it would be appropriate to certify a contested class based on the facts and claims at issue in the Litigation.

The Court has made no determination with respect to 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 Western District of Oklahoma, located at 200 NW 4<sup>th</sup> St., Oklahoma City, Oklahoma 73102, in the file for Case No. CIV-18-00107-JD. Some of the relevant pleadings are additionally located on the website found at [www.kernen-casillas.com](http://www.kernen-casillas.com). Should you have questions regarding the status, rulings or issues in the Litigation, such questions can be submitted as set forth below.

## **Release**

If the Court enters a final order approving the Settlement, all Class Members, on behalf of the “Releasing Parties,” will release any “Released Claims” they have against the “Released Parties.” This means that if you remain a member of the Settlement Class, any and all claims related to underpaid and unpaid interest for alleged Late Payments made during the Claim Period will be released and discharged.

“**Claim Period**” means July 28, 2016 through June 24, 2020.

“**Released Claims**” include any and all claims arising from any legal or equitable theory related to earned statutory interest on Late Payments allegedly made by Defendant directly to Owners, and Late Payments allegedly made by Defendant in its role as operator on behalf of non-operating working interest owners, between July 28, 2016 and June 24, 2020 for O&G Proceeds from the Oklahoma Wells on Exhibit 6 to the Settlement Agreement, which alleged Late Payments did not also include the earned statutory interest prescribed by the PRSA, as well as all claims that could have been asserted in any forum or venue related to unpaid statutory interest under the PRSA for the Late Payments allegedly made by Defendant as described above, whether known or unknown, whether at law or in equity, or under any statute, and including all relief and remedies, except for claims excluded from the scope of Released claims in the next sentence of this paragraph. No other claims are released, including but not limited to: (1) any and all claims against Casillas Petroleum Corporation; (2) claims of Owners for earned statutory interest on any Late Payments allegedly made by Defendant prior to July 28, 2016 or after June 24, 2020; (3) claims of royalty owners for statutory interest on the underpayment of royalty based on breach of express and/or implied covenants of oil and gas leases and/or force pooling orders; and (4) any other claims that class members may have against the Released Parties other than the specific earned statutory interest claims under the PRSA set out in the first sentence of this paragraph.

“**Released Parties**” means Casillas Operating, LLC, Casillas Petroleum Resource Partners, LLC, CPRP Services, LLC, Casillas Petroleum Resource Partners Holdings, LLC, Kayne Anderson Capital Advisors, L.P., a Delaware limited partnership, and each of its respective affiliates (including, without limitation, its and its affiliates’ various portfolio companies), and all of their respective successors-in-interest (the “Companies”), and all parents, affiliates and subsidiaries of the Companies, to the extent those Companies, parents, affiliates, and subsidiaries of said Companies directly or indirectly own interests in, or operate or have operated, the wells which have been studied and analyzed by Plaintiff’s and Defendant’s experts and are listed on Exhibit 6 to the Settlement Agreement, and only to the extent of the working interests reflected on Exhibit 6 to the Settlement Agreement and for which potential damages have been calculated by those experts. Specifically excluded from this release is Casillas Petroleum Corporation.

“**Releasing Parties**” means Plaintiff and all Settlement Class members who do not timely and properly opt-out or submit a request for exclusion from the Settlement, and who are not otherwise excluded from the Settlement Class by order of the Court separate and apart from the individuals and entities excluded by virtue of the Settlement Class definition contained in Paragraph 1.46 of the Settlement

Agreement, without regard to whether a member of the Settlement Class actually received a payment from the Net Settlement Fund, and without regard as to whether any payment was correctly determined.

### **3. Why is this case a class action?**

In a class action, one or more plaintiffs sue on behalf of people who have similar claims. All of the individuals and entities on whose behalf the plaintiffs are suing are class members. One court resolves the issues for all class members, except for those who choose to exclude themselves from the class. Here, United States District Judge Jodi W. Dishman is presiding over the Litigation.

### **4. Why is there a Settlement?**

The Court has not reached a final judgment as to whether the Settlement Class could be certified as a contested class action or that Plaintiff has proved or can prove his claims against the Defendant. It would likely take several more years before a contested class certification proceeding and trial on the merits could be held, final judgment entered, and appeals exhausted. Instead, Plaintiff and Defendant have agreed to the Settlement in order to resolve the Litigation. In reaching the Settlement, both sides have avoided the risk, cost and time of a trial, and Plaintiff has avoided any further delay in resolving the Litigation. In addition, as with any litigated case, Plaintiff would face an uncertain outcome if this Litigation went to trial. On the one hand, a trial could result in a verdict greater than the Settlement. However, Defendant has asserted many defenses, and a trial could result in a judgment in favor of Defendant on class certification and liability or a verdict lower than the Settlement Amount that Plaintiff has obtained, or even no recovery at all for Plaintiff and the Class Members. Based on these factors and others, Plaintiff and Plaintiff's Counsel believe the Settlement is best for all Class Members.

### **5. How do I know whether I am part of the Settlement Class?**

The Settlement Class consists of the following individuals and entities, subject to the exceptions listed in the answer to Question No. 6 below:

All non-excluded persons or entities to whom: (1) Defendant (or Defendant's designee) made a Late Payment of oil and/or gas proceeds from an Oklahoma well between July 28, 2016 and June 24, 2020, and (2) who have not been paid statutory interest on the Late Payment per the Production Revenue Standards Act. A "Late Payment" for purposes of this class definition means payment of proceeds from the sale of oil and/or gas production from an oil and/or gas well after the statutory periods identified in OKLA. STAT. tit. 52, § 570.10(B)(1) (i.e., commencing not later than six (6) months after the date of first sale, and thereafter not later than the last day of the 2<sup>nd</sup> succeeding months after the end of the month within which such production is sold). Late Payments do not include: (a) payments of proceeds to an owner under OKLA. STAT. tit. 52, § 570.10(B)(3) (minimum pay); (b) prior period adjustments; or (c) pass-through payments.

### **6. Are there other exceptions to being included?**

The persons or entities excluded from the Settlement Class are: (1) agencies, departments, or instrumentalities of the United States of America or the State of Oklahoma; (2) Commissioners of the Land Office of the State of Oklahoma (CLO); (3) publicly traded oil and gas companies and their affiliates; (4) persons or entities (and their affiliates) who are the Oklahoma Corporation Commission

(OCC) designated operator of more than fifty (50) Oklahoma wells in the month when this Class definition was originally filed; (5) persons or entities that Plaintiff's counsel may be prohibited from representing under Rule 1.7 of the Oklahoma Rules of Professional Conduct; including, but not limited to, Charles David Nutley, Danny George, Dan McClure, Kelly McClure Callant, William L. Galbreath, Verdeen L. Slatten, Jack A. Slatten, Verdeen L. Slatten Family Limited Partnership, Neva M. Dorman, Ann Ellis Boles, Fischer-Jones, LLC, B.N. Taliaferro, Jr. individually and as Trustee of the B. N. Taliaferro Management Trust, Jack B. Searle, Tamara D. Searle, OGI, Inc., and their relatives; and (6) officers of the court.

Also, you are not a Class Member if you exclude yourself from the Settlement Class by submitting a valid and timely request for exclusion in accordance with the requirements set forth in this Notice and in the Settlement Agreement. The procedure for requesting exclusion from the Settlement Class is described below in the Answer to Question No. 13.

**7. I am still not sure whether I am included.**

If you are still not sure whether you are included, you can ask for help, which will be provided to you at no cost. You can call the Settlement Administrator at 1-833-667-1236, or write to the following address:

*Kernen-Casillas Operating Settlement*  
c/o JND Legal Administration, Settlement Administrator  
PO Box 91238  
Seattle, WA 98111

It is recommended that you make any such inquiries prior to November 3, 2021, the deadline to submit requests for exclusions or any objections.

**THE SETTLEMENT BENEFITS – WHAT YOU RECEIVE**

**8. What does the Settlement provide?**

In consideration of the Settlement, Defendant has agreed to pay \$2,700,000.00 in cash. See the Settlement Agreement for full details.

The Settlement, if approved, will result in the dismissal of the Original Petition and First Amended Complaint against Defendant and the release by all Class Members of all the Released Claims the Releasing Parties may have against the Released Parties, as defined above in Answer to Question No. 2. The Net Settlement Fund will be distributed to the Class Members who are not excluded from the Settlement Class in accordance with the provisions of the Allocation Methodology and Final Plan of Allocation, which is explained below in the Answer to Question No. 9.

**9. How much will the cash portion of my payment be?**

The Net Settlement Fund is determined after the Court makes a determination regarding Plaintiff's Attorney's Fees, Litigation Expenses, any Case Contribution Award, other costs approved by the Court, and any Administration, Notice, and Distribution Costs. The amount of the Net Settlement Fund is determined by subtracting any such amounts from the Gross Settlement Fund (\$2,700,000.00). The Net Settlement Fund shall then be allocated to Class Members on the following basis:



Plaintiff's Counsel shall, subject to Court approval, allocate the Net Settlement Fund to individual Participating Class Members proportionately based on the amount of statutory interest allegedly owed on the original underlying payment that allegedly occurred outside the time periods required by the PRSA, with due regard for the production date, the date the underlying payment was made, the amount of the underlying payment, the time periods set forth in the PRSA, any additional statutory interest that Plaintiff's Counsel believes has since accrued, and the amount of interest or returns that have accrued on the Participating Class Member's proportionate share of the Net Settlement Fund during the time such share was held in the Settlement Account. No distributions will be made to Class Members who would otherwise receive a distribution of less than \$10.00 under the Initial Plan of Allocation. This allocation is subject to modification by Plaintiff's Counsel and final approval by the Court.

**If you have questions about the tax consequences of participating in the Settlement, you should consult with your own tax advisor.**

#### **10. How can I get a payment?**

If you do **not** exclude yourself pursuant to the procedure set forth in Answer to Question No. 13 below, **YOU DO NOT NEED TO TAKE ANY ACTION WHATSOEVER** to receive your portion of the Net Settlement Fund (if any).

#### **11. When would I get my payment?**

Payment to Class Members is contingent on several matters, including the Court's approval of the Settlement and that approval becoming final and no longer subject to any appeal to any court, as set forth more specifically in paragraph 1.13 of the Settlement Agreement.

The Net Settlement Fund will be distributed by the Settlement Administrator as soon as reasonably possible after final approval has been obtained for the Settlement and any appeals are exhausted. The Settlement Agreement specifies deadlines for distributing the Net Settlement Fund. Any appeal of final approval could take well in excess of one year. It is not anticipated that any meaningful interest will accrue on the Net Settlement Fund. 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.

You may receive information about the progress of the Settlement by visiting the website at [www.kernen-casillas.com](http://www.kernen-casillas.com), by calling 1-833-667-1236, or by writing to: *Kernen-Casillas Operating Settlement*, c/o JND Legal Administration, Settlement Administrator, PO Box 91238, Seattle, WA 98111.

#### **12. What is the effect of my remaining in the Settlement Class?**

Unless you exclude yourself from the Settlement Class, if the Settlement is approved, you will be a Participating Class Member. As a Participating Class Member, you will receive any portion of the Net Settlement Fund allocated to you and will be bound by all orders and judgments entered by the Court regarding the Settlement. If the Settlement is approved, you will not be able to sue, continue to sue, or be part of any other lawsuit against any of the Released Parties concerning any of the Released Claims.

### 13. How do I get out of the Settlement and not release my claims?

To get out of the Settlement, you must exclude yourself from the Settlement Class. To exclude yourself from the Settlement Class, you must send to the Settlement Administrator a written statement that you want to be excluded from the Settlement Class in *Kernen v. Casillas Operating, LLC*. In addition to the other information specified in the rest of this answer, your statement must include your name, address, telephone number, and signature, and must be received no later than November 3, 2021 at 5 p.m. Central Time. Your written statement must be sent to:

**Settlement Administrator**  
*Kernen-Casillas Operating Settlement*  
c/o JND Legal Administration, Settlement Administrator  
PO Box 91238  
Seattle, WA 98111

**To be effective, your written request for exclusion must be SERVED and RECEIVED at the above address no later than November 3, 2021, at 5 p.m. Central Time.** You cannot exclude yourself on the website, by telephone, facsimile or by e-mail. The letter must be signed by you. In the letter, you must identify your interest in any wells for which you have received payments from Defendant or anyone making payments on Defendant's behalf, including the name, well number, county in which the well is located, and the owner identification number. Any such letter also should state generally:

Dear Judge, I want to exclude myself from the Settlement Class in *Michael Kernen v. Casillas Operating, LLC*, Case No. CIV-18-00107-JD, United States District Court for the Western District of Oklahoma. I understand it will be my responsibility to pursue any claims I may have, if I so desire, on my own and at my expense.

**If you do not follow these procedures—including meeting the date for exclusion 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.

If you validly request exclusion as described above, 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. You will also not participate in any distribution of the Net Settlement Fund. Do not request exclusion if you wish to participate in the Settlement.

### 14. If I don't exclude myself from the Class, can I sue the Released Parties for the same thing later?

No. Unless you exclude yourself from the Settlement Class in connection with the Litigation, you (and any other Releasing Parties) give up any right to sue any or all of the Released Parties for any Released Claims. If you have a pending lawsuit or arbitration against Defendant or any of its officers and/or directors or any other Released Parties, speak to the lawyer representing you in that case immediately. You must exclude yourself from this Settlement Class to continue your own lawsuit or arbitration against any of the Released Parties.

**15. If I exclude myself, can I get money from this Settlement in connection with the Litigation?**

No. If you exclude yourself from the Settlement Class, you may be able to sue, continue to sue, or be part of a different lawsuit or arbitration against the Released Parties, but you will not receive any money from the Settlement discussed in this Notice.

**THE LAWYERS REPRESENTING YOU**

**16. Do I have a lawyer in the case?**

The law firms of (a) Barnes & Lewis, LLP; (b) Nix Patterson, LLP; (c) Ryan Whaley Coldiron Jantzen Peters & Webber, PLLC; and (d) Whitten Burrage, represent the Plaintiff and all other Class Members in this Litigation. These lawyers are called Plaintiff's Counsel. You will not be charged directly by these lawyers. If the Court authorizes it, these lawyers will be paid in accordance with the Answer to Question No. 17 below. If you want to be represented by your own lawyer, you may hire one at your own expense.

**17. How will the lawyers be paid?**

Plaintiff's Counsel intends to seek an award of attorneys' fees up to \$1,080,000 to be paid out of the Gross Settlement Fund. Plaintiff's Counsel has been litigating this case for over three years without any payment whatsoever. At the Final Fairness Hearing, Plaintiff's Counsel will also seek reimbursement from the Gross Settlement Fund of the expenses incurred in connection with the prosecution of this Litigation, and which will be incurred through final distribution of the Settlement, which amount will not exceed \$200,000.00, and Administration, Notice, and Distribution Costs up to \$175,000.00. Plaintiff intends to seek a Case Contribution Award relating to his representation of the Settlement Class, taking into account Plaintiff's time, effort, risk and burden, up to \$15,000.00.

**OBJECTING TO THE SETTLEMENT, PLAN OF ALLOCATION, ATTORNEYS' FEES AND EXPENSES, AND PLAINTIFF'S CASE CONTRIBUTION AWARD**

**18. How do I tell the Court that I do not like any aspect of the Settlement?**

If you are a Class Member and you do not exclude yourself, you can object to the Settlement if you do not like any part of it. You can give reasons why you think the Court should not approve the Settlement, Allocation Methodology, Initial Plan of Allocation, request for Plaintiff's Attorneys' Fees or reimbursement of Litigation Expenses, or Case Contribution Award to Plaintiff. To object, you must send a written statement to the Court saying that you object to the proposed Settlement. You must include in your written statement:

- (a) a heading referring to *Kernen v. Casillas Operating, LLC*, Case No. CIV-18-00107-JD, United States District Court for the Western District of Oklahoma;
- (b) a statement as to whether you intend 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 (this statement must also comply with the requirement stated in Answer to Question No. 22 below);
- (c) a reasonably detailed statement of each objection;

- (d) your name, current address, and current telephone number;
- (e) your signature;
- (f) identification of your interest in wells from which you have received payments made by or on behalf of Defendant (by well name, payee well number, and county in which the well is located) during the Claim Period; and
- (g) if you are objecting to any portion of the Plaintiff's Attorneys' Fees or Litigation Expenses sought by Plaintiff's Counsel on the basis that the amounts requested are unreasonably high, you must specifically state the portion of Plaintiff's Attorneys' Fees and/or Litigation Expenses you believe is fair and reasonable and the portion that is not.

Additionally, if you intend to appear and request permission to speak at the Final Fairness Hearing, either in person or through counsel, then, as part of your objection that is due at least 14 calendar days prior to the Final Fairness Hearing, you must also provide the following information:

- (i) A list of any witnesses you wish 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);
- (ii) A list of and copies of any exhibits you may seek to use at the Final Fairness Hearing; and
- (iii) A list of any legal authority you may present at the Final Fairness Hearing.

**Your written objection must be filed with the Court no later than 5:00 p.m. Central Time on November 3, 2021, at the address below:**

Clerk of the Court  
 United States District Court for the Western District of Oklahoma  
 200 NW 4th Street  
 Oklahoma City, OK 73102

**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 OBJECTION TO THE PROPOSED SETTLEMENT AND THE APPLICATION FOR ATTORNEYS' FEES AND LITIGATION EXPENSES AND CASE CONTRIBUTION AWARD AND WILL NOT BE ALLOWED TO PRESENT ANY OBJECTIONS AT THE FINAL FAIRNESS HEARING.**

**19. What's the difference between objecting and excluding myself?**

Objecting is simply telling the Court that you do not like something about the Settlement. You can object only if you are a Participating Class Member. Excluding yourself is telling the Court that you do not want to be part of the Settlement Class. If you exclude yourself from the Settlement Class, you have no basis to object, because the Settlement no longer affects you. If you do not exclude yourself from the Settlement Class, you will remain a member of the Settlement Class and will be bound by the terms of the Settlement Agreement (including the release contained therein) and all orders and judgments entered by the Court regarding the Settlement regardless of whether the Court accepts or denies your objection.

Questions? Go to [www.kernen-casillas.com](http://www.kernen-casillas.com) or call 1-833-667-1236

**20. When and where will the Court decide whether to approve the Settlement?**

The Court will hold a Final Fairness Hearing on **November 17, 2021, at 1:00p.m. Central Time**, at the United States District Court for the Western District of Oklahoma, 200 NW 4<sup>th</sup> Street, Oklahoma City, Oklahoma 73102. **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 with the Court and [www.kernen-casillas.com](http://www.kernen-casillas.com) to be sure no change to the date and time of the hearing has been made.** At this hearing, the Court will consider whether the Settlement is fair, reasonable and adequate. If there are objections, the Court will consider them at that time. After the Final Fairness Hearing, the Court will decide whether to approve the Settlement, the Allocation Methodology, and the Plan of Allocation. The Court will also rule on the request for attorneys' fees and litigation expenses by Plaintiff's Counsel and the request for Case Contribution Award for Plaintiff relating to his representation of the Settlement Class. We do not know how long it will take the Court to make these decisions.

**21. Do I have to come to the hearing?**

No. Plaintiff's Counsel will answer any questions the Court might have for the Settlement Class. But you are welcome to come at your own expense. If you timely and properly file an objection (see Answer to Question No. 18 above), you do not have to come to Court to talk about it. As long as you properly file your written objection on time, it will be before the Court when the Court considers whether to approve the Settlement as fair, reasonable and adequate. You also may pay your own lawyer to attend the Final Fairness Hearing, but attendance is not necessary. However, if you fail to timely and properly file an objection, you will not be entitled to be heard at the Final Fairness Hearing regarding any objections.

**22. May I speak at the hearing?**

If you are a Class Member who has not requested to be excluded from the Settlement Class, you may ask the Court for permission to speak at the Final Fairness Hearing. To do so, you must send a letter or other paper called a "Notice of Intention to Appear at Fairness Hearing in *Michael Kernen v. Casillas Operating, LLC.*" Be sure to include your name, address, telephone number, and signature. Your Notice of Intention to Appear must be filed with the Clerk of the Court at the address in the Answer to Question No. 18 no later than **November 3, 2021, at 5 p.m. Central Time**. You cannot speak at the Final Fairness Hearing if you exclude yourself from the Settlement Class.

If you object to the Settlement or any part thereof and you or your attorney wish to be heard at the Final Fairness Hearing, you must file a Notice of Intention to Appear as outlined above by the date specified for objections in the Answer to Question No. 18 in order to present your objection at the Hearing (see also Answer to Question No. 18 above).

**IF YOU DO NOTHING**

**23. What happens if I do nothing at all?**

If you do nothing and you are a Class Member, you will receive payment in connection with the Settlement as explained in response to Question No. 9 above if you are entitled to a distribution pursuant to the Allocation Methodology and Final Plan of Allocation, and you will be bound by the Settlement. 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 or arbitration against any of the Released Parties based on any Released Claims.

### **GETTING MORE INFORMATION**

#### **24. Are there more details about the Settlement?**

This Notice summarizes the Settlement. The complete terms of the Settlement are set out in the Settlement Agreement and the documents referenced therein and attached thereto. You may obtain a copy of the Settlement Agreement, as well as other documents, from the settlement website for free at [www.kernen-casillas.com](http://www.kernen-casillas.com) or you may request copies by writing to *Kernen-Casillas Operating Settlement*, c/o JND Legal Administration, Settlement Administrator, PO Box 91238, Seattle, WA 98111. If you elect to obtain copies from a source other than the free website, there may be a charge to you for copying and mailing such documents. The Settlement Agreement also is filed in *Michael Kernen v. Casillas Operating, LLC*, Case No. CIV-18-00107-JD, with the Clerk of the United States District Court for the Western District of Oklahoma, 200 NW 4<sup>th</sup> Street, Oklahoma City, Oklahoma 73102, and may be obtained from the Clerk's office directly. Further information regarding the Litigation and this Notice may be obtained by contacting Plaintiff's Counsel.

#### **25. How do I get more information?**

You can visit the website at [www.kernen-casillas.com](http://www.kernen-casillas.com), where you will find answers to common questions about the Settlement plus other information to help you determine whether you are a Class Member and whether you are eligible for payment. You can also call 1-833-667-1236 toll free or write to *Kernen-Casillas Operating Settlement*, c/o JND Legal Administration, Settlement Administrator, PO Box 91238, Seattle, WA 98111.

### **INQUIRIES**

All inquiries concerning this notice or any other questions by Class Members should be directed to the Settlement Administrator as follows:

*Kernen-Casillas Operating Settlement*  
c/o JND Legal Administration, Settlement Administrator  
PO Box 91238  
Seattle, WA 98111  
Toll Free: 1-833-667-1236  
Website: [www.kernen-casillas.com](http://www.kernen-casillas.com)  
Email: [info@kernen-casillas.com](mailto:info@kernen-casillas.com)

**PLEASE DO NOT CONTACT THE COURT REGARDING THIS NOTICE.**

DATED: September 13, 2021

BY ORDER OF THE COURT