

If You Have Received a Payment from Casillas Operating, LLC for Production from an Oil and Gas Well in Oklahoma, You Could Be a Part of a Proposed Class Action Settlement

The Settlement Class Includes:

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 2nd 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.

The persons or entities excluded from the 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.

The lawsuit *Michael Kernan v. Casillas Operating, LLC*, Case No. CIV-18-00107-JD (W.D. Okla.), claims Casillas Operating, LLC ("Defendant") failed to pay statutory interest on payments made outside the time periods set forth in the Production Revenue Standards Act, OKLA. STAT. tit. 52, § 570.1, *et seq.* (the "PRSA") for oil and gas production proceeds from oil and gas wells in Oklahoma. Defendant denies all liability but has agreed to the proposed Settlement to avoid the uncertainty, burden, and expense of continued litigation. The Court did not decide which side is right.

On August 17, 2021, the Court preliminarily approved a Settlement in which Defendant has agreed to pay \$2,700,000 in cash (the "Gross Settlement Fund"). From the Gross Settlement Fund, the Court may deduct reasonable Plaintiff's Attorneys' Fees, Litigation Expenses, a Case Contribution Award, Settlement Administration, Notice, and Distribution Costs, and other costs approved by the Court. The remainder of the fund (the "Net Settlement Fund") will be distributed to eligible Class Members based on a variety of factors, including the amount of statutory interest allegedly owed on the original underlying payment that allegedly occurred outside the time periods required by the PRSA. Complete information on the benefits of the Settlement, including information on the distribution of the Net Settlement Fund, can be found in the Settlement Agreement posted on the website listed below. In exchange, Class Members will release Defendant and others identified in the Settlement Agreement from the claims described in the Settlement Agreement.

The law firms who represent the Class as Class Counsel are: (a) Barnes & Lewis, LLP; (b) Nix Patterson, LLP; (c) Ryan Whaley Coldiron Jantzen Peters & Webber, PLLC; and (d) Whitten Burrage. You may hire your own attorney, if you wish. However, you will be responsible for that attorney's fees and expenses.

What Are My Legal Rights?

- **Do Nothing, Stay in the Class, and Be Bound By the Settlement:** If the Court approves the proposed Settlement, you or your successors, if eligible, will receive the benefits of the proposed Settlement. You will also be bound by all orders and judgments of the Court, and you will not be able to sue, or continue to sue, Defendant or others identified in the Settlement Agreement for claims described in that Agreement.
- **Stay in the Settlement Class, But Object to All or Part of the Settlement:** You can file a written objection to the Settlement and appear before the Court. Your written objection must contain the information described in the Long Form Notice of Proposed Settlement, Motion for Attorneys' Fees, and Fairness Hearing (the "Long Form Notice") found at the website listed below and **must be filed with the Court no later than November 3, 2021, at 5 p.m. Central Time.**
- **Exclude Yourself from the Settlement Class:** To exclude yourself from the Settlement Class, you must serve a written statement on the Settlement Administrator. Your Request for Exclusion must contain the information described in the Long Form Notice found at the website listed below and **must be received no later than November 3, 2021, at 5 p.m. Central Time.** You cannot exclude yourself on the website, by telephone, or by e-mail.

The Court will hold a Final Fairness Hearing on November 17, 2021, at 1:00 p.m. Central Time at the United States District Court for the Western District of Oklahoma, 200 NW 4th St., Oklahoma City, Oklahoma 73102. At the hearing, the Court will consider whether the proposed Settlement is fair, reasonable, and adequate. The Court will also consider the application for Plaintiff's Attorneys' Fees, Litigation Expenses, and Case Contribution Award. If comments or objections have been submitted in the manner required, the Court will consider them, as well. Please note that the date of the Final Fairness Hearing is subject to change without further notice. If you plan to attend the hearing, you should check with the Court and www.kernen-casillas.com to confirm no change to the date and time of the hearing has been made.

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

Visit: www.kernen-casillas.com

Call Toll-Free: 1-833-667-1236

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