Judicial Arbiter Group, Inc.
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In the Arbitration of:

Kenneth & Vanda Vaughters and David & 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

v.

Ovintiv USA Inc. f/k/a Encana Oil and Gas (USA), Inc., and Crestone Peak Resources Holdings, LLC,
Respondents.

JAG No.: 2018-0067

Arbiter – Anne B. Frick

ORDER APPROVING THE SETTLEMENT AGREEMENT BETWEEN CLAIMANTS AND OVINTIV USA INC.

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 and Respondent Ovintiv USA Inc. ("Ovintiv") have filed a Joint Motion for Approval of a Class Settlement Agreement ("Settlement Agreement"). After reviewing the motion, and for good cause, the Arbiter enters the following order:

Based on the filings and the evidence presented, the Arbiter 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 the Settlement Agreement, Ovintiv will deposit into the trust account of Barton and Burrows, LLC ("Class Counsel") a total

of two hundred and eighty thousand dollars ($280,000.00). The total shall represent payment to the Claimants and the Class in order to resolve all claims asserted against only Ovintiv in this arbitration. The Settlement Agreement shall not be construed to release any claims related to the time period in which Respondent Crestone Peak Resources, LLC ("Crestone") owned the lessee's interest in the Class Leases.

Upon receipt of the $280,000, Class Counsel shall file a motion to dismiss Ovintiv from this arbitration proceedings with prejudice. The Arbiter will grant said motion to dismiss with prejudice.

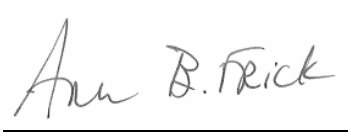
Claimants and Ovintiv in their Joint Motion agree that pursuant to the Colorado Court of Appeals decision in *EnCana Oil and Gas (USA) Inc. v. Miller*, 405 P.3d, 488 (Colo. App. 2017), no additional notice of this Settlement Agreement will be sent to the members of the Class. In that decision, the Court of Appeals 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 original 2008 Encana Settlement Agreement. In that 2017 opinion, the Court of Appeals noted that, if the arbiter later believed that further notice was appropriate, the arbiter could address the issue in the arbitration proceeding.

I find, consistent with the 2017 Court of Appeals decision that the Class here was provided notice of the Encana Settlement Agreement and given the opportunity to opt-out of the Encana Settlement Agreement. (Colorado Court of Appeal Case No. 08CA231). I also understand that the 2008 Encana Settlement Agreement was intended to effectively bind all successors in interest to the Class Leases for the life of the Class Leases. *Miller*, 405 P.3d 493-94. Accordingly, I find that

no additional notice of this Settlement Agreement is necessary or required because the Settlement Agreement simply seeks to enforce existing rights under the 2008 Encana Settlement Agreement.

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.

Ordered this 17th day of March 2022.



Ann Frick, Arbiter
Judicial Arbiter Group, Inc.