

**IN THE DISTRICT COURT IN AND FOR THE FIRST JUDICIAL DISTRICT  
IN THE DISTRICT COURT OF TEXAS COUNTY  
STATE OF OKLAHOMA**

MARVIN TAYLOR, )  
MARGARET SHEPPARD AND )  
ALESEN SHEPPARD )  
**FOR THEMSELVES AND ALL OTHERS** )  
**SIMILARLY SITUATED,** )  
) )  
**PLAINTIFFS,** )  
) )  
**VS.** )  
) )  
CHEVRONTEXACO CORPORATION, )  
TEXACO, INC.; )  
TEXACO EXPLORATION AND PRODUCTION, INC.; )  
CHEVRON U.S.A., INC., )  
**FOR ITSELF AND AS GUARANTOR OF TEXACO** )  
**EXPLORATION AND PRODUCTION, INC.; AND** )  
**FOUR STAR OIL & GAS COMPANY** )  
) )  
**DEFENDANTS.** )

CASE No. CJ-2002-104

**TEXAS COUNTY  
FILED**

SEP 29 2010

**KAREN PARISH  
COURT CLERK**

By \_\_\_\_\_ Deputy

**ORDER APPROVING THE SETTLEMENT DISTRIBUTION AND  
SETTLEMENT DISTRIBUTION PROCEDURES  
PURSUANT TO THE PLAN OF ALLOCATION AND DISTRIBUTION**

This matter came on before the Court on Class' motion for an order of the Court authorizing the distribution of the Net Settlement Amount in accordance with the Plan of Allocation and Distribution ("Plan") previously approved by the Court. The Court having reviewed the motion and Court file FINDS AND ORDERS as follows:

**Settlement Distribution Report**

1. The final Net Settlement Amount for distribution to the Class Members is \$6,371,974.66.<sup>1</sup>

<sup>1</sup> "Net Settlement Amount" means "the Gross Settlement Value [\$12,000,000.00 Settlement Payment plus \$19,957.77 accrued interest through 1/22/2010], less Class Counsel's Fees and Expenses [\$5,407,983.11], less any income taxes incurred by the Settlement Fund on the accrued interest [\$0.00], and less any other expenditures

2. In accordance with, and as set forth in, the Plan approved by the Court, the Net Settlement Amount for Allocation has been allocated to the various categories of Class Claims (Plan, ¶26) and then to each Class Member to determine the Class Member's Net Settlement Distribution (Plan, ¶¶27-31) as reflected in the Summary Final Distribution filed simultaneously herewith by Class Counsel. **The Court hereby adopts and approves said Summary Final Distribution.**
3. The Court recognizes that the Summary Final Distribution was prepared based upon Chevron's "current and historical royalty payment decks for the Class Wells (utilizing the last available deck for each Class Well)" (Settlement Agreement, ¶4.3), and that the identity and addresses of the Class Members may have changed subsequent to Chevron's available data. Without further order of this Court, any Class Member change of address given to Class Counsel or the Settlement Administrator can be used in lieu of the address in the Summary Final Distribution, and furthermore, any change of ownership or Class Member identity may be recognized and utilized by the Settlement Administrator, so long as adequate documentation, to the satisfaction of the Settlement Administrator and/or Class Counsel, is provided to support the change of ownership.
4. The Court finds that the Summary Final Distribution report contains proprietary and confidential information that should be, and is **HEREBY ORDERED**, filed under seal with the Court Clerk of Texas County, and shall not be disclosed without subsequent order of this Court.

#### **Settlement Distribution Administration**

5. Pursuant to ¶32(e) of the Plan, Defendant Chevron is required to facilitate the preparation and distribution of the Distribution Checks to the Class Members. At Chevron's expense,


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approved by the Settlement Judge as a deduction from the Settlement Fund [\$240,000.00 for Class Representative Fee and Class Administrative Expenses]." Plan, ¶20.

it has retained “The Garden City Group, Inc.”, a nationally-known organization that specializes in class action settlement fund distributions, to handle the distribution process.

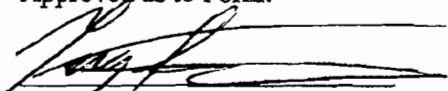
6. Subject to this Court’s oversight authority, the Court hereby approves and appoints The Garden City Group, Inc. to act as the “Settlement Administrator” to facilitate the settlement distribution process on Chevron’s behalf.
7. Pursuant to paragraph 1.12 of the Settlement Agreement and paragraph 32(e) of the Plan, the Court hereby approves the form of proposed disclosure letter and check detail to be provided to each Class Member along with the Distribution Check. A copy of the form is attached hereto as Exhibit “A”.
8. This Court previously authorized JP Morgan Chase Bank to open an investment or savings style account in the name of the Class to maximize the interest earned on the Settlement Fund for the benefit of the Class. The Court hereby authorizes JP Morgan Chase Bank to create and implement one or more additional accounts in the name of the Class, as deemed necessary by Class Counsel and the Settlement Administrator, for implementation of the distribution process (the “Checking Account”), and further authorizes Class Counsel to instruct JP Morgan Chase Bank to transfer an amount up to \$6,371,974.66 (the “Net Settlement Amount”) from the existing Settlement Distribution Account to the Checking Account to facilitate the distribution process. The Garden City Group, as the Settlement Administrator, shall have authority to conduct and maintain the day-to-day operations of the Checking Account, with Class Counsel having general supervisory authority over the Checking Account and the Settlement Distribution Account previously authorized by this Court.
9. **The Court hereby modifies and further orders that the Settlement Administrator shall make the initial distribution of the Net Settlement Proceeds to the Class Members on or before thirty (30) days from the date of this order.**

So ordered this 25<sup>th</sup> day of Sept, 2010.



Judge Gerald H. Riffe

Approved as to Form:

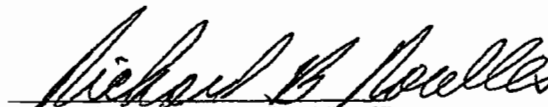


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**Attorneys for Chevron**

I, ~~KAREN~~ KAREN PARISH, District Court Clerk in and for Texas County Oklahoma, hereby certify that the foregoing is a true, correct and complete copy of the instrument herewith set out as appears of record in the Court Clerk's office of Texas County, Oklahoma.

DATE September 29, 2010

KAREN PARISH District Court Clerk

By W. Renee Ellis Deputy

**EXHIBIT “A”**

**Disclosure Letter and Distribution Detail**

**Taylor vs. Chevron Settlement**

c/o The Garden City Group, Inc.  
P.O. Box 9000 #6508  
Merrick, NY 11566-9000

Claim Number:

Check Number:

Check Amount:

To: Class Member or Designated Royalty Distributor

The enclosed check represents a share of the net settlement proceeds in the Class Action *Taylor, et al. vs. ChevronTexaco Corp, et al.*, Case No. CJ-2002-104, District Court of Texas County, Oklahoma. You are receiving this notice and check because: (1) you have been identified as a class member in this action, or (2) you are the designated royalty distributor pursuant to the Production Revenue Standards Act of a well you operate in which Chevron marketed its own gas. If you are not legally entitled to the proceeds identified on the check apron, the Court has entered an Order that requires you to pay these proceeds to persons legally entitled thereto or return this check uncashed to the remitter of it. If you are a designated royalty distributor, you are required to pay these proceeds to the current royalty owners in each of the wells identified on the check detail and a copy of this notice should be included with the payment to each of the royalty owners.

The distribution described above to Class Members is based on the assumption that very few sales of royalty interests have occurred. It has also been assumed that where sales did occur, it was the intent of the parties that the buyer was entitled to receive payment for past claims. Finally, it has been assumed that where royalty interests passed through inheritance, devise or interfamily transfers, that it was the intent that the heir, or devisee or transferee also receive payment for past claims. To the extent that these assumptions are not correct in relation to particular transfers of interest, the Court has ordered that the Class Member who receives payment shall in turn make payment to the proper party or return this check uncashed to the remitter of it.

The person to whom this check was originally made payable, and any one to whom the check has been assigned by that person, has accepted this settlement payment pursuant to the terms of the Settlement Agreement, Notice of Settlement, and Judgment related thereto, which released, *inter alia*, Chevron and its Affiliates and Predecessor Entities, and all of their past and present directors, officers, employees, attorneys, agents, servants, stockholders, representatives, predecessors, heirs, successors, and assigns (but not unrelated third parties to which Chevron assigned interests in Oklahoma wells) from any and all claims relating to the payment, calculation, or reporting of royalties through the Release Date, except for Excluded Claims and with other certain limited exceptions more fully described in the Settlement Agreement. Additionally, any predecessors-in-interest of the person to whom this check was originally made payable, and the predecessors-in-interest of any one to whom the check has been assigned by that person, are Class Members and are also releasing Chevron and its Affiliates and Predecessor Entities, and all of their past and present directors, officers, employees, attorneys, agents, servants, stockholders, representatives, predecessors, heirs, successors and assigns (but not unrelated third parties to which Chevron assigned interests in Oklahoma wells) from any and all claims relating to the payment, calculation, or reporting of royalties through the Release Date, except for Excluded Claims and with certain limited exceptions more fully described in the Settlement Agreement. Pursuant to the Order of the Court it is the duty of the payee of the check to insure that the funds are paid to the Class Member(s) entitled to the funds, and the release by predecessors-in-interest of the payee of the check shall be effective regardless of whether such predecessors-in-interest receive some, all, or none of the proceeds paid to a payee of a settlement check.

If you have any questions, please feel free to call our toll free hotline at 1 (866) 487-1709 or visit the Taylor vs. Chevron Settlement at [www.taylorchevronsettlement.com](http://www.taylorchevronsettlement.com).

This check shall be null and void if not endorsed and negotiated within ninety (90) days of its date.

Thank you.

Bar Code

**Taylor vs. Chevron Settlement**

c/o The Garden City Group, Inc.  
P.O. Box 9000 #6508  
Merrick, NY 11566-9000

Claim Number:  
Check Number:  
Check Amount:  
Check Date:

Name1  
Name2  
Address1  
Address2  
Address3  
Address4

Lease Name:

Lease Name	Legacy Texaco GCDT	Legacy Texaco Interest on Purse GCDT Refund	Legacy Texaco GCDT (Price Reduction)	Legacy Texaco Fuel	Legacy Chevron GCDT	Legacy Chevron Fuel	Other Miscellaneous Claims	Non- Oklahoma State Resident Income Tax Withheld (5.00%)	Federal Income Tax Withheld	Payment Amount
	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00

PLEASE DO NOT CONTACT THE COURT REGARDING THE SETTLEMENT.

2010 Form 1099-MISC  
OMB No. 1545-0115

Payer's Information

Taylor vs. Chevron Settlement  
c/o The Garden City Group, Inc.  
P.O. Box 6508  
Merrick, NY 11566-9000

Payer's Federal Identification No.: 27-1024986

Recipient's Information

Name1  
Address1  
Address2  
Address3  
Address4  
City, State Zip  
Recipient's Identification No.:

- 2. Royalties: \$XXX.XX
- 3. Other Income: \$XXX.XX
- 4. Federal Income Tax Withheld: \$XXX.XX

Account Number: (Insert Claimant NME)

This is important tax information and is being furnished to the Internal Revenue Service. If you are required to file a return, a negligence penalty or other sanction may be imposed on you if this income is taxable and the IRS determines that it has not been reported.

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