

STATE OF WYOMING )  
 ) ss.  
COUNTY OF CAMPBELL )

IN THE DISTRICT COURT  
SIXTH JUDICIAL DISTRICT  
Civil Action No. 26827

)  
) Patsy L. Larson and Duane D. Odegard,  
)  
) Plaintiffs,  
)  
)  
) vs.  
)  
) Devon Energy Production Company,  
) L.P., an Oklahoma limited partnership,  
) and Devon Energy Management Company,  
) L.L.C., an Oklahoma limited  
) liability company,  
)  
) Defendants.

FILED NO. \_\_\_\_\_  
CIVIL [ ] PROBATE [ ] CRIMINAL [ ]  
ADOPT [ ] DEL [ ]

SEP - 5 2006

*Nancy Ratcliff*  
DEPUTY CLERK OF DISTRICT COURT

ORDER APPROVING AMENDMENT TO SETTLEMENT AGREEMENT

THIS MATTER having come before the Court upon the Joint Motion of Plaintiffs and Defendants requesting approval of an Amendment to the Settlement Agreement, and having heard the presentation of counsel and the Court being fully advised in the premises, it is hereby

ORDERED that the Amendment to Settlement Agreement attached hereto as Exhibit 1 be, and the same hereby is, approved.

DATED this 5 day of September, 2006.

**DAN R. PRICE II**

Dan R. Price, II  
District Judge

**Approved as to Form and Content:**

Plaintiffs:

*Steven F. Freudenthal*  
Steven F. Freudenthal  
Freudenthal, Salzborg & Bonds  
123 East 17<sup>th</sup> Street  
Cheyenne, WY 82001  
(307) 634-2240

Defendants:

*Richard E. Day*  
Richard E. Day  
Williams, Porter, Day &  
Neville, P.C.  
159 North Wolcott St., Suite 400  
Casper, WY 82602  
(307) 265-0700

STATE OF WYOMING } s.s.  
Campbell County }  
NANCY RATCLIFF, Clerk of the Court, within and  
for said county and state aforesaid, does hereby  
certify the foregoing to be a full, true and complete  
copy as the same appears on file and of record in this  
office

IN TESTIMONY WHEREOF, I have hereunto  
subscribed my hand and affixed the official seal of  
said Court, at my office in Gillette, Wyoming, this  
date 9-5-06

NANCY RATCLIFF

*Nancy Ratcliff*  
Clerk of the Court, Sixth Judicial District

EXHIBIT 1 TO ORDER APPROVING AMENDMENT TO SETTLEMENT AGREEMENT  
AMENDMENT TO SETTLEMENT AGREEMENT

This Amendment to Settlement Agreement ("Amendment") is made with respect to that certain Settlement Agreement ("Agreement") made effective July 10, 2006, by and between Devon Energy Production Company, L.P., an Oklahoma limited partnership, and Devon Energy Management Company, L.L.C., an Oklahoma limited liability company (collectively "Devon") and the Designated Class Representatives (Patsy L. Larson and Duane D. Odegard) ("Plaintiffs") acting on behalf of themselves and the Settlement Class Members.

WHEREAS, the parties desire to clarify the terms of the Agreement with respect to Section 1.11.2; and

WHEREAS, such clarification has been agreed to in consideration of the parties going forward with presenting the Agreement to the Court for final approval and entry of judgment; and

WHEREAS, such amendment is entered into in reliance upon the representations contained in the letter dated August 14, 2006 from Dan Leslie, Devon to Steven F. Freudenthal, Class Counsel, a copy of which is attached hereto and incorporated by reference as Exhibit A.

THEREFORE, in consideration of the premises, the parties agree as follows:

1. Section 1.11.2 is amended to read as follows:

1.11.2 The future payment of Royalties pursuant to Paragraph 1.11.1 shall be based on well head production volume allocated from the pipeline custody transfer meter, which is before the first screw compressor ("Primary Measurement Point"). Gas used, flared, vented or consumed between the Primary Measurement Point and the Market Point shall not be deducted for purposes of calculating Royalties. Volume or value on which Royalties shall be paid will be further reduced pro rata by amounts used or dollar charges measured by MMBTU used in the transportation of the Shallow Gas from the Market Point to the point of sale.

2. Except as expressly modified herein, the Agreement remains in full force and effect without any other amendments,

modifications or alterations.

3. This Amendment shall be presented to the Court by joint motion of the parties and, upon approval by the Court, shall be filed in Docket No. 26827.

Signed this \_\_\_\_ day of August, 2006.

Devon Energy Production Company, L.P.,  
an Oklahoma limited partnership

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

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

Devon Energy Management Company, L.L.C.,  
an Oklahoma limited liability company

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

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

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Plaintiffs And Designated Class Representatives

Patsy L. Larson

Duane D. Odegard

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**devon**

Devon Energy Corporation  
20 N. Broadway  
Oklahoma City, OK 73102



August 14, 2006

Mr. Steven F. Freudenthal  
Attorneys at Law  
Freudenthal, Salzburg & Bonds, P.C.  
123 East 17th Street  
P.O. Box 387  
Cheyenne, WY 82003-0387

RE: Devon Class Settlement Agreement

Dear Mr. Freudenthal:

This is to confirm our telephone conversation of August 10, 2006 concerning the amendment to "Section 1.11.2" of the *Settlement Agreement* entered into by the parties which has been filed in the District Court in Campbell County as an exhibit to the Class Certification Action pending in that Court. We have agreed to amend "Section 1.1.2" as follows:

1.11.2 The future payment of Royalties pursuant to Paragraph 1.11.1 shall be based on well head production volume ~~less gas used, lost, flared, vented or consumed on or for the benefit of the lease, which occurs from the well head through the operation of~~ allocated from the pipeline custody transfer meter, which is before the first screw compressor ("Primary Measurement Point").

The amendment will reflect the actual operations of Devon's gathering lines before the pipeline custody transfer meter and Devon does not use any produced gas on or for the benefit of the lease nor is any gas used for fuel thereon.

If you have any questions, please do not hesitate to contact me.

Yours very truly,

A handwritten signature in cursive script that reads "Dan M Leslie".

Dan Leslie

cc: Richard Day  
Glen Maynard  
Kim Snider

EXHIBIT A TO AMENDMENT TO SETTLEMENT AGREEMENT