

STATE OF WYOMING)
) ss.
COUNTY OF CAMPBELL)

IN THE DISTRICT COURT
SIXTH JUDICIAL DISTRICT

Civil Action No. 34151

Fred C. Wilson and Spear Lazy "S" Land)
Company,)

Plaintiffs,)

vs.)

Prima Oil & Gas Company,)

Defendant.)

FILED NO. _____
CIVIL [] PROBATE [] CRIMINAL []
ADOPT [] DELL []

DEC 22 2004

Wardene Stubbins
DEPUTY CLERK OF DISTRICT COURT

**ORDER ON PLAINTIFFS' MOTION FOR CONDITIONAL CONSIDERATION OF
SETTLEMENT AGREEMENT AND PROVISIONAL CERTIFICATION OF THE
PRIMA SETTLEMENT CLASS**

Plaintiffs' Motion for Conditional Consideration of Settlement Agreement and Provisional Certification of the Prima Settlement Class ("Motion") came before the Court on December 22, 2004. The Plaintiffs appeared through Steven F. Freudenthal of Freudenthal, Salzburg & Bonds, P.C. and the Defendant Prima Oil & Gas Company, k/n/a Petro-Canada Resources (USA) Inc. ("Prima") appeared through Rex O. Arney, Brown, Drew & Massey, LLP and Judith M. Matlock, Davis Graham & Stubbs LLP.

The COURT, having reviewed Plaintiffs' motion and being otherwise advised in the premises FINDS and ORDERS as follows:

1. Plaintiffs filed a suit against Prima alleging individual claims and class action claims. After extensive negotiations and exchange of information, the parties agreed to settle this action on the terms now memorialized in the Settlement Agreement, executed by and between the parties (the "Settlement Agreement"), attached hereto as Exhibit 1, and incorporated fully therein. All capitalized terms used in this Order and not defined herein shall have the meanings set forth in the Settlement Agreement. In the event of any conflict between the descriptions in these paragraphs and the more detailed terms of the Settlement Agreement, the Settlement Agreement shall govern.

2. This suit involves claims brought under Leases, other instruments and the Wyoming Royalty Payment Act, Wyo. Stat. § 30-5-301 et seq. for Disputed Deductions, Valuation Claims, Statutory Interest, Statutory Reporting Assessments and Attorneys' Fees, as those terms are defined in the Settlement Agreement.

3. The Court has jurisdiction and venue over this suit and the Settlement Class. Under Wyo.R.Civ.P. 23(e), this Court's approval of any settlement is required.

4. The Settled Claims as defined in the Settlement Agreement all arise from the same nucleus of operative facts and form part of the same case or controversy as alleged against Prima in Plaintiffs' Amended Complaint so that all of the claims approved for settlement by this Order were or could have been asserted as class claims in this Action.

5. There are in excess of 220 Settlement Class Members and they are so numerous that joinder is impractical.

6. There are questions of law and fact common to the Settlement Class Members and Plaintiffs.

7. The questions of law and fact common to the Settlement Class Members predominate over any questions affecting only individual members, and in the context of this settlement only, the settlement of Settlement Class Members' claims by a class action under Wyo. R. Civ. Proc. 23 is superior to other available methods for the fair and effective settlement and adjudication of this controversy.

8. Plaintiffs' claims are typical of the Settlement Class Members' claims.

9. Plaintiffs and Designated Class Representatives are appropriate representatives of the Settlement Class and have and will adequately represent the interests of the Settlement Class Members

10. Settlement Class Members have no special interest in individually controlling the prosecution of separate actions.

11. Class Counsel is experienced and fully qualified.

12. No significant difficulties are likely to be encountered in the management of the action as a class action for settlement purposes only.

13. Prima has acted or refused to act on grounds generally applicable to the class, thereby making appropriate final injunctive relief or corresponding declaratory relief with respect to the class as a whole.

14. Subject to the provisions of Paragraph 17 and in accordance with the provisions of Wyo.R.Civ.P. 23, the Court certifies as potential members of the Prima Settlement Class the Royalty Payees as set forth in Exhibit A to the Settlement Agreement ("Settlement Class") which is also Exhibit 2 to this Order.

15. The Court approves the Designated Class Representatives as representative of this Settlement Class and appoints Plaintiffs counsel to represent the Settlement Class ("Class Counsel").

16. The Court finds that the proposed settlement as provided in the Settlement Agreement is fair and reasonable under the circumstances. This finding and determination is subject to the Court's further review of objections, if any, filed with regard to the class settlement according to the terms of the Settlement Agreement.

17. The certification of the Settlement Class is only for the purpose of settlement and not for any other purpose in this litigation. This certification is subject to the Court's further review of objections, if any, filed with regard to the class settlement according to the terms of the Settlement Agreement. If the settlement is not finalized, the certification provided herein shall be void and have no further effect.

18. The Court finds that reasonable and adequate notice will be given to potential Settlement Class Members by providing the Notice of Proposed Class Action Settlement found in Exhibit 2 attached to the Motion ("Notice"), Exhibit 3 to this Order.

19. The Court finds that reasonable and adequate notice of the settlement will be given to potential members of the Settlement

Class if the Notice is sent by priority mail (with electronic confirmation of delivery) to each Potential Class Member's last known address.

20. A hearing to consider objections, if any, to the Settlement Class and to finally determine if the Settlement Agreement is fair and equitable shall be heard at the Campbell County Courthouse on the 15th day of February, 2005, located at Gillette, Wyoming, commencing at 8:00 a.m. ("Final Settlement Hearing") or at the dates and times to which the Court may reschedule the hearing.

21. Any Potential Class Member who desires to be excluded from the Settlement Class shall deliver in writing that Member's election to be excluded to Class Counsel and Prima Counsel on or before February 2, 2005 ("Deadline for Exclusion"). Any Potential Class Member may revoke that Member's election to be excluded from the Settlement Class by delivering such written revocation to Class Counsel and Prima Counsel in writing at least six (6) days prior to the Final Settlement Hearing. Class Counsel shall file with the Court a report ("Class Counsel's Report") four (4) days before the Final Settlement Hearing to provide to the Court a compilation of (a) all Potential Class Members who have opted out of the Settlement Class ("Opt Out Claimants"), (b) all Opt Out Claimants who have properly revoked their election to opt-out and (c) those Potential Class Members who shall constitute the Settlement Class if finally approved by the Court at the Final Settlement Hearing.

22. Any objections to the Settlement Agreement or the Settlement Class shall be in writing and delivered to Class Counsel and Prima Counsel on or before February 2, 2005. Class Counsel shall file with the Court as part of Class Counsel's Report a compilation of the objections and Class Counsel's responses to the objections, if any.

23. The addresses to be used for serving notices and objections on Class Counsel and Prima Counsel are:

Prima's Counsel:

Judith M. Matlock
Davis Graham & Stubbs LLP
1550 17th Street
Suite 500
Denver, CO 80202

Class Counsel:

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

DATED this 22 day of December, 2004.

DAN R. PRICE II

Dan R. Price, II
District Judge

- Exhibit 1: Settlement Agreement with Exhibits A and B
- Exhibit 2: Settlement Class Members
- Exhibit 3: Form of Notice of Proposed Class Action Settlement

STATE OF WYOMING } s s

Campbell County }
NANCY RATCLIFF, Clerk of the Court, within and
for said county and State Records 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.

12.22.04 NANCY RATCLIFF

Wardene Jettaro
Clerk of the Court, Sixth Judicial District

Wardene Jettaro
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