

**IN THE UNITED STATES DISTRICT COURT
FOR THE NORTHERN DISTRICT OF OKLAHOMA**

**CHIEFTAIN ROYALTY COMPANY and
CASTLEROCK RESOURCES, INC.,**

Plaintiffs,

v.

Case No. 18-CV-54-JFH-JFJ

**BP AMERICA PRODUCTION
COMPANY,**

Defendant.

**ORDER AWARDING REIMBURSEMENT OF LITIGATION EXPENSES
AND ADMINISTRATION, NOTICE, AND DISTRIBUTION COSTS**

Before the Court is Class Counsel’s Motion for Approval of Reimbursement of Litigation Expenses [Dkt. No. 171] (the “Motion”) and Memorandum of Law in Support Thereof [Dkt. No. 172] (the “Memorandum”), wherein Class Counsel seeks entry of an Order approving Class Counsel’s request for Reimbursement of Litigation Expenses, which were incurred in successfully prosecuting and resolving this Litigation, in an amount not to exceed \$600,000.00—the amount set forth in the Notice. Class Counsel also seeks approval of Administration, Notice and Distribution Costs in an amount not to exceed \$400,000.00—the amount set forth in the Notice. The Court has considered the Motion and Memorandum, all matters submitted in connection therewith and the proceedings on the Final Fairness Hearing. Upon review, the Court finds the Motion should be **GRANTED**.

IT IS THEREFORE ORDERED as follows:

1. This Order incorporates by reference the definitions in the Settlement Agreement and all terms not otherwise defined herein shall have the same meanings as set forth in the Settlement Agreement.

2. The Court, for purposes of this Order, incorporates herein its findings of fact and conclusions of law from its Order and Judgment Granting Final Approval of Class Action Settlement as if fully set forth herein.

3. The Court has jurisdiction to enter this Order and over the subject matter of the Litigation and all parties to the Litigation, including all Settlement Class Members.

4. The Notice stated that Class Counsel would seek Reimbursement of Litigation Expenses, which were incurred in successfully prosecuting and resolving this Litigation, in an amount not to exceed \$600,000.00. The Notice also stated Class Counsel would request approval of Administration, Notice and Distribution Costs associated with effectuating the Settlement in an amount not to exceed \$400,000.00 to be paid from the Gross Settlement Fund. Notice of Class Counsel's request for Reimbursement of Litigation Expenses and approval of Administration, Notice and Distribution Costs was given to all Settlement Class Members who could be identified with reasonable effort. The form and method of notifying the Settlement Class of the request for Reimbursement of Litigation Expenses and approval of Administration, Notice and Distribution Costs is hereby determined to have been the best notice practicable under the circumstances, constitutes due and sufficient notice to all persons and entities entitled to receive such notice, and fully satisfies the requirements of Rule 23, Federal Rules of Civil Procedure, and due process.

5. Class Counsel provided the Court with abundant evidence in support of their request for Reimbursement of Litigation Expenses, including but not limited to: (1) the Motion and Memorandum; (2) the Declaration Andrew G. Pate on Behalf of Nix Patterson, LLP ("NP Decl."); (3) the Declaration of Patrick M. Ryan on Behalf of Ryan Whaley Coldiron Jantzen Peters & Webber PLLC ("RW Decl."); (4) the Declaration of Robert N. Barnes, Patranell Britten Lewis, and Emily Nash Kitch ("BL Decl."); (5) the Declaration of Michael Burrage ("WB Decl."); (6) the

Declaration of Robert S. Abernathy (“Abernathy Decl.”); (7) the Declaration of Robert E. Gonce, Jr. (“Gonce Decl.”); (8) the JND Decl.; (9) the Affidavits of Absent Class Members: Pagosa Resources, LLC; Wentz Production, LLC; Kelsie Wagner, Trustee of the Kelsie Wagner Trust and Successor Trustee of the Wade Costello Trust; Citadel Energy, Inc.; Dwayne Sager; and Sagacity, Inc.; and (10) the applicable law, and all pleadings, declarations, and records on file in this matter. This evidence was submitted to the Court well before the objection and opt-out deadline, and none of the evidence was objected to or otherwise refuted by any Settlement Class Member.

6. Class Counsel is hereby awarded Reimbursement of Litigation Expenses in an amount not to exceed \$600,000.00, to be paid from the Gross Settlement Fund. In making this award, the Court makes the following findings of fact and conclusions of law:

(a) The Settlement has created a Gross Settlement Fund of \$15,000,000.00 in cash. Class Members will benefit from the Settlement that occurred because of the substantial efforts of Class Representative and Class Counsel;

(b) On December 15, 2021, JND caused the Short Form Notice of Settlement to be mailed to the 43,714 potential Class Members from the initial Class Member data with a mailing address. *See* JND Decl. at ¶ 6. On December 17, 2021, JND caused the Notice of Settlement to be mailed via USPS first-class mail to the 51 potential Class Members identified in the supplemental Class Member data. *Id.* In total, JND caused the Notice of Settlement to be mailed to 43,765 potential Class Members. *Id.* The Short Form Notice expressly stated that Class Counsel would seek Reimbursement of Litigation Expenses in an amount not to exceed \$600,000.00, and approval of Administration, Notice and Distribution Costs in an amount not to exceed \$400,000.00. The Short Form Notice also directed Class Members to a website for further information, including the Long Form

Notice, and provided the option of requesting a Long Form Notice be sent via U.S. Mail.

There were no objections to the requested reimbursement of expenses;

(c) Class Counsel filed its Motion approximately fourteen (14) days prior to the deadline for Settlement Class Members to object. No objections were filed regarding Class Counsel's Motion for Approval of Reimbursement of Litigation Expenses;

(d) The Parties here contractually agreed that the Settlement Agreement shall be governed solely by federal common law with respect to certain issues, including the reasonableness of requests for reimbursement of expenses:

To promote certainty, predictability, the full enforceability of this Settlement Agreement as written, and its nationwide application, this Settlement Agreement shall be governed *solely by federal law*, both substantive and procedural, as to due process, class certification, judgment, collateral estoppel, res judicata, release, settlement approval, allocation, Case Contribution Award, the right to and reasonableness of Plaintiff's Attorneys' Fees and *Litigation Expenses*, and all other matters for which there is federal procedural or common law, including federal law regarding federal equitable common fund class actions.

Settlement Agreement at ¶ 11.8 (emphasis added) [Dkt. No. 161-1];

(e) This choice of law provision should be and is hereby enforced. *See Boyd Rosene & Assocs., Inc. v. Kansas Mun. Gas Agency*, 174 F.3d 1115, 1121 (10th Cir. 1999) (citing *Restatement 2d of Conflict of Laws* § 187, cmt. e (Am. Law Inst. 1988)); *Yavuz v. 61 MM, Ltd.*, 465 F.3d 418, 428 (10th Cir. 2006); *see also Williams v. Shearson Lehman Bros.*, 1995 OK CIV APP 154, ¶ 17, 917 P.2d 998, 1002 (concluding that parties' contractual choice of law should be given effect because it does not violate Oklahoma's constitution or public policy); *Barnes Group, Inc. v. C & C Prods., Inc.*, 716 F.2d 1023, 1029 n. 10 (4th Cir. 1983) ("Parties enjoy full autonomy to choose controlling law with regard to matters within their contractual capacity."). Oklahoma federal courts, including

this Court, routinely enforce similar language in settlement agreements. *See, e.g., Hay Creek Royalties, LLC v. Roan Resources LLC*, Case No. 19-CV-177-CVE-JFJ (N.D. Okla. April 28, 2021) [Dkt. No. 74]; *Chieftain Royalty Co. v. SM Energy Co.*, No. 18-cv-1225-J (W.D. Okla. Apr. 27, 2021) [Dkt. No. 116 at ¶ 6(e)]; *McClintock v. Enterprise Crude Oil LLC*, No. 6:16-cv-136-KEW (E.D. Okla. Mar. 26, 2021) [Dkt. No. 121 at ¶ 6(e)]; *McClintock v. Continuum Producer Services, L.L.C.*, No. 17-cv-259-JAG (E.D. Okla. June 4, 2020) [Dkt. No. 62 at ¶ 6(e)]; *Chieftain Royalty Co. v. Newfield Exploration Mid-Continent Inc.*, No. 17-cv-336-KEW (E.D. Okla. Mar. 3, 2020) [Dkt. No. 72 at ¶ 6(e)]; *Chieftain Royalty Co. v. Marathon Oil Co.*, No. 17-cv-334-SPS (E.D. Okla. Mar. 8, 2019) [Dkt. No. 121 at ¶ 6(e)]; *Chieftain Royalty Co. v. XTO Energy, Inc.*, No. 11-cv-29-KEW (E.D. Okla. Mar. 27, 2018) [Dkt. No. 232 at ¶ 6(e)]; *Reirdon v. Cimarex Energy Co.*, No. 16-cv-113-KEW (E.D. Okla. Dec. 18, 2018) [Dkt. No. 104 at ¶ 6(e)]; *Reirdon v. XTO Energy, Inc.*, No. 16-cv-87-KEW (E.D. Okla. Jan. 29, 2018) [Dkt. No. 125 at ¶ 6(e)]; *Reirdon v. Cimarex Energy Co.*, No. 16-cv-445-SPS (E.D. Okla. Jan. 29, 2020) [Dkt. No. 133 at ¶ 6(e)]; *Cecil v. BP America Production Co.*, No. 16-cv-410-KEW (E.D. Okla. Nov. 19, 2018) [Dkt. No. 260 at ¶ 13];

(f) Applying federal common law, Rule 23(h) of the Federal Rules of Civil Procedure allows courts to reimburse counsel for “non-taxable costs that are authorized by law.” FED. R. CIV. P. 23(h).¹ To this end, district courts have noted, “[a]s with attorneys’ fees, an attorney who creates or preserves a common fund for the benefit of a class is entitled to receive reimbursement of all reasonable costs incurred...in addition to the

¹ Similarly, Oklahoma’s class action statute provides “the court may award...nontaxable costs that are authorized by law or by the parties’ agreement.” *See* 12 O.S. § 2023(G)(1).

attorney fee percentage.” *Vaszlavik v. Storage Tech. Corp.*, No. 95-B-2525, 2000 U.S. Dist. LEXIS 21140, at *11 (D. Colo. Mar. 9, 2000) (citation omitted);

(g) Class Counsel set forth in the Notice that they would seek up to \$600,000.00 in reimbursement of Litigation Expenses. *See* JND Decl. at Exs. A, C. To date, Class Counsel’s out-of-pocket Litigation Expenses are \$543,824.67. *See* NP Decl. at ¶11; RW Decl. at ¶15; BL Decl. at ¶18. I find that all of these expenses were reasonably and necessarily incurred by Class Counsel and are directly related to their prosecution and resolution of this Litigation. The costs include routine expenses related to copying, court fees, postage and shipping, phone charges, legal research, and travel and transportation, as well as expenses for experts, and document production and review, which are typical of large, complex class actions such as this. *See* NP Decl. at ¶¶ 11-12. As such, the Expense Request is fair, reasonable and is hereby granted;

(h) Therefore, Class Counsel is awarded \$543,824.67 in past Litigation Expenses and may request any additional amount Class Counsel may incur after the entry of this Order not to exceed \$600,000.00, upon fourteen (14) days’ written notice to the Court.

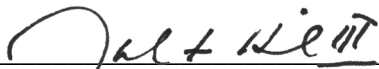
7. Class Counsel’s request for approval of Administration, Notice and Distribution Costs associated with effectuating the Settlement in an amount not to exceed \$400,000.00 to be paid from the Gross Settlement Fund is also approved.

8. Any appeal or any challenge affecting this Order Awarding Reimbursement of Litigation Expenses and Administration, Notice and Distribution Costs shall in no way disturb or affect the finality of the Order and Judgment Granting Final Approval of Class Action Settlement, the Settlement Agreement or the Settlement contained therein.

9. Exclusive jurisdiction is hereby retained over the parties and the Settlement Class Members for all matters relating to this Litigation, including the administration, interpretation, effectuation or enforcement of the Settlement Agreement and this Order.

10. There is no reason for delay in the entry of this Order and immediate entry by the Clerk of the Court is expressly directed pursuant to Rule 54(b), Federal Rules of Civil Procedure.

IT IS SO ORDERED this 2nd day of March, 2022.



JOHN F. HEIL, III
UNITED STATES DISTRICT JUDGE