# IN THE DISTRICT COURT OF BLAINE COUNTY STATE OF OKLAHOMA

MARK STEPHEN STRACK, TRUSTEE OF THE PATRICIA ANN STRACK REVOCABLE TRUST DTD 2/15/99 AND THE BILLY JOE STRACK REVOCABLE TRUST DTD 2/15/99, AND DENIELA A. RENNER, SOLE SUCCESSOR TRUSTEE OF THE PAUL ARIOLA LIVING TRUST AND THE HAZEL ARIOLA LIVING TRUST,	BLAINE COUNTY, OKLAHOMA  FILED  APR - 3 2013  CHRISTY MATLI, CT. CLERK  BY  DEPUTY
FOR THEMSELVES AND ALL OTHERS SIMILARLY SITUATED,	
PLAINTIFFS,	
vs. Continental Resources, Inc.,	) Case No. CJ-10-75 ) (Judge Hladik)
DEFENDANTS.	

# MOTION FOR ATTORNEYS' FEES, LITIGATION COSTS AND A CLASS REPRESENTATIVES AWARD FROM THE COMMON FUND AND INITIAL BRIEF IN SUPPORT

Pursuant to 12 O.S. §2023(G)<sup>1</sup> and relevant common law, Class Representatives and Class. Counsel move the Court for an Order:

 $^{\mathrm{1}}$  "ATTORNEY FEES AND NONTAXABLE COSTS.

(Continued)

<sup>1.</sup> In a certified class action, the court may award reasonable attorney fees and nontaxable costs that are authorized by law or by the parties' agreement.

<sup>2.</sup> A claim for an award shall be made by motion, subject to the provisions of this subsection, at a time set by the court. Notice of the motion shall be served on all parties and, for motions by class counsel, directed to class members in a reasonable manner.

<sup>3.</sup> A class member, or a party from whom payment is sought, may object to the motion.

<sup>4.</sup> In considering a motion for attorney fees filed after November 1, 2009:

a. the court shall conduct an evidentiary hearing to determine a fair and reasonable fee for class counsel,

b. the court shall act in a fiduciary capacity on behalf of the class in making such determination,

c. the court may appoint an attorney to represent the class upon the request by any members of the class in a hearing on the issue of the amount of attorney fees or the court may refer the matter to a referee pursuant to Section 613 et seq. of this title,

- 1. extending to the Settlement Class the contingency fee agreements entered into between the Class Representatives and Class Counsel, which are attached hereto as Exhibit "A";
- 2. awarding Class Counsel an attorneys' fee of 40% of the Gross Settlement Payments;
- 3. awarding Class Representatives compensation for their contribution to this Settlement (sometimes called a "Case Contribution Award") of \$100,000.00 to each of the four (4) Plaintiff trusts (i.e., a total award of \$400,000.00); and
- 4. expert and consultant fees, litigation expenses and Administrative Expenses, including the fees and expenses of the Settlement Administrator, in an amount not to exceed \$1,000,000.00,

(collectively "Attorneys' Fees and Expenses"), all for their services and contributions provided in the establishment of the "Common Fund." The requested Attorneys' Fees and Expenses in this case are reasonable and well within the range of fees and expenses approved by Oklahoma District Courts in similar common fund cases.

e. in arriving at a fair and reasonable fee for class counsel, the court shall consider the following factors:

(1) time and labor required,

(2) the novelty and difficulty of the questions presented by the litigation,

(3) the skill required to perform the legal service properly,

(4) the preclusion of other employment by the attorney due to acceptance of the case,

(5) the customary fee,

(6) whether the fee is fixed or contingent,

(7) time limitations imposed by the client or the circumstances,

(8) the amount in controversy and the results obtained,

(9) the experience, reputation and ability of the attorney,

(10) whether or not the case is an undesirable case,

(11) the nature and length of the professional relationship with the client,

(12) awards in similar causes, and

(13) the risk of recovery in the litigation, and

f. if any portion of the benefits recovered for the class in an action maintained pursuant to paragraph 3 of subsection B of this section are in the form of coupons, discounts on future goods or services or other similar types of noncash common benefits, the attorney fees awarded in the class action shall be in cash and noncash amounts in the same proportion as the recovery for the class." [Emphasis added.] 12 O.S. §2023(G).

<sup>2</sup> The Gross Settlement Payments: (1) for the Sub-Class 1 Claims of \$49,800,000.00; and (2) for the sub-Class 2 Claims, with the amount to be determined pursuant ¶3.4 of the Settlement Agreement, shall be considered the "Common Fund" for purposes of this Motion. Although a substantial benefit to the Settlement Class, Class Counsel will not be seeking any additional fees based upon the value of the Settlement related to the Future Time Period which is estimated to exceed \$50,000,000.00.

d. if the court appoints an attorney to represent the class for the fee hearing pursuant to subparagraph c of this paragraph or refers the matter to a referee, the attorney or referee shall be independent of the attorney or attorneys seeking attorney fees in the class action, and said independent attorney or referee shall be awarded reasonable fees by the court on an hourly basis out of the proceeds awarded to the class,

Class Counsel will file an extensive brief, with supporting documentation, supplementing and supporting this Motion prior to the Fairness Hearing, and will post that brief and supporting documentation on the website www.StrackvsContinental.com.

WHEREFORE, Class Representatives and Class Counsel respectfully request an order of the Court granting an award of the Attorneys' Fees and Expenses to be paid from the Common Fund.

Respectfully submitted,

Douglas E. Burns, OBA No. 1342

Terry L. Stowers, OBA No. 17453

BURNS AND STOWERS, P.C.

1300 W. Lindsey

Norman, Oklahoma 73069

(405) 360-6191-- Telephone

(405) 928-2019 -- Facsimile

dburns@burns-stowers.com

tstowers@burns-stowers.com

#### AND

Kerry W. Caywood OBA No. 1580 Angela Caywood Jones, OBA No. 18742 PARK, NELSON, CAYWOOD, JONES, LLP P.O. Box 968 Chickasha, OK 73023 (405) 224-0386 -- Telephone (405) 224-0907 -- Facsimile kcaywood@pncj.com ajones@pncj.com

CLASS COUNSEL

#### CERTIFICATE OF SERVICE

I hereby certify that on or before the 3rd day of April, 2018, a true and correct copy of the foregoing was emailed, hand-delivered and/or mailed, postage pre-paid, to:

Jay P. Walters **GABLE GOTWALS**One Leadership Square, 15<sup>th</sup> Floor
211 North Robinson

Oklahoma City, Oklahoma 73102-7101

Taylor Pope Eric S. Eissenstat CONTINENTAL RESOURCES, INC. 20 North Broadway Oklahoma City, OK 73102

Guy S. Lipe VINSON & ELKINS, L.L.P. 1001 Fannin, Suite 2500 Houston, Texas 77002

Steven J. Adams
GABLE GOTWALS
1100 Oneok Plaza
100 West 5<sup>th</sup> Street, Suite 1100
Tulsa, Oklahoma 74103-4217

Glenn A. Devoll
GUNGOLL, JACKSON, COLLINS, BOX & DEVOLL, P.C.
323 W. Broadway Avenue
Enid, Oklahoma 73701

Terry L. Stowers

# Exhibit "A" Contingency Fee Agreements

## BURNS & STOWERS, P.C.

ATTORNEYS AT LAW 1300 WEST LINDSEY NORMAN, OK 73069

DOUGLAS E. BURNS TERRY L. STOWERS

PHONE (405) 360-6191
FAX (405) 928-2019
E-MAIL LAWFIRM@BURNS-STOWERS.COM

November 3, 2010

Mr. Billy J. Strack, Trustee of the Billy Joe Strack Revocable Trust dated 2/15/99 Route 2 Watonga, Oklahoma 73772

RE:

Contractual Agreement between Client and Attorneys for Contingency Fee

Dear Mr. Strack:

We have reviewed your claim for improper payment of oil and gas production revenues associated with your mineral ownership in (1) Continental Resources, Inc. ("Continental") operated wells; and/or (2) wells in which Continental is not the operator, but is a working interest owner. We are not willing to pursue your claim on an individual basis. However, we are willing to pursue your claim on a class-wide basis for all royalty owners who are similarly situated. By entering into this agreement, you have agreed, and it is contemplated, that your claim will be joined with other similar claims in a class action. In a class action, some of the claimants will be designated as representatives of the class. You hereby authorize us to designate you, at our discretion, as one of the representatives of the class.

If our investigation indicates a need to pursue individuals or companies, in addition to Continental, in order to fully prosecute your claim for underpayment, you hereby authorize us to name those additional parties in any lawsuit filed on your behalf. Furthermore, based upon our investigation, you hereby authorize us to pursue all causes of action and theories of recovery that we deem appropriate.

You have retained us to pursue this matter on a contingent fee basis. A contingent fee arrangement is very simple. If we are not successful in obtaining a recovery, you will owe us nothing. If we are successful, we will receive as a fee forty percent (40%) of all consideration which is received by you as a result of our efforts in prosecuting this claim, i.e., forty percent (40%) of the gross recovery. As for the remainder of the class members, we will apply to the Court for the same forty percent (40%) of gross recovery fee. In the event such consideration includes non-cash consideration, such as the agreement to do or not do some future act, the present cash value of such non-cash consideration shall be determined and utilized in computing the full attorney's fee payable pursuant to this agreement.

We will advance all litigation expenses necessary for the prosecution of this case. Such expenses may ultimately include filing fees, fees for service of process, fees for expert witnesses and investigators, expenses of discovery proceedings, and other expenses we determine reasonably necessary for preparation of the case. These litigation expenses will be deducted from your share of any judgment or settlement received in this matter. We will request that the Court share of any judgment or settlement received in this matter.

We shall have the right to employ such other and additional counsel to aid and assist us in the prosecution of this claim as we may deem advisable, but without any expense or obligation of any kind to you, or the class, other than as hereinbefore provided. It is currently anticipated that Mr. Kerry Caywood of the Park, Nelson, Caywood and Jones law firm will be assisting us in the prosecution of this case.

We will make no settlement without consulting you and obtaining your approval. Furthermore, in a class action, all settlements must be approved by the Court. As a result, you agree not to enter into any settlement agreement without our prior written consent.

You authorize us to receive the proceeds of any settlement or payment of any judgment, to retain our percentage of the gross proceeds, to deduct from the proceeds any costs and expenses advanced on your behalf, and to disburse the balance of such proceeds to you. Furthermore, all distributions from the class' proceeds must be approved by the Court.

We shall be entitled to the percentage fee we have agreed upon from any recovery, even though you may have dismissed us or substituted another attorney in our place before obtaining such recovery. Furthermore, we shall have an attorney's lien on any recovery received pursuant to this agreement. If your understanding of the agreement is as outlined in this letter, please date and sign this agreement on the spaces provided below and return it to the undersigned at your earliest convenience. The extra copy of this agreement should be retained by you for future reference.

Please do not hesitate to call me should you have any questions regarding this agreement.

Very truly yours,

BURNS & STOWERS, P.C.

Douglas E. Burns

I ACCEPT THE CONTINGENCY ARRANGEMENT AS SET FORTH IN THIS LETTER.

11-3-10.

Billy P. Strack, Trustee of the

Billy Joe Strack Revocable Trust dtd 2/15/99

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### BURNS & STOWERS, P.C.

ATTORNEYS AT LAW 1300 WEST LINDSEY NORMAN, OK 73069

DOUGLAS E. BURNS TERRY L. STOWERS

PHONE (405) 360-6191 Fax (405) 928-2019 E-mail <u>Lawfirm@burns-stowers.com</u>

November 2, 2010

Ms. Hazel Ariola, The Street Route 2, Box 361
Watonga, Oklahoma 73772

RE:

Contractual Agreement between Client and Attorneys for Contingency Fee

Dear Ms. Ariola:

We have reviewed your claim for improper payment of oil and gas production revenues associated with your mineral ownership in (1) Continental Resources, Inc. ("Continental") operated wells; and/or (2) wells in which Continental is not the operator, but is a working interest owner. We are not willing to pursue your claim on an individual basis. However, we are willing to pursue your claim on a class-wide basis for all royalty owners who are similarly situated. By entering into this agreement, you have agreed, and it is contemplated, that your claim will be joined with other similar claims in a class action. In a class action, some of the claimants will be designated as representatives of the class. You hereby authorize us to designate you, at our discretion, as one of the representatives of the class.

If our investigation indicates a need to pursue individuals or companies, in addition to Continental, in order to fully prosecute your claim for underpayment, you hereby authorize us to name those additional parties in any lawsuit filed on your behalf. Furthermore, based upon our investigation, you hereby authorize us to pursue all causes of action and theories of recovery that we deem appropriate.

You have retained us to pursue this matter on a contingent fee basis. A contingent fee arrangement is very simple. If we are not successful in obtaining a recovery, you will owe us nothing. If we are successful, we will receive as a fee forty percent (40%) of all consideration which is received by you as a result of our efforts in prosecuting this claim, i.e., forty percent (40%) of the gross recovery. As for the remainder of the class members, we will apply to the Court for the same forty percent (40%) of gross recovery fee. In the event such consideration includes non-cash consideration, such as the agreement to do or not do some future act, the present cash value of such non-cash consideration shall be determined and utilized in computing the full attorney's fee payable pursuant to this agreement.

We will advance all litigation expenses necessary for the prosecution of this case. Such expenses may ultimately include filing fees, fees for service of process, fees for expert witnesses and investigators, expenses of discovery proceedings, and other expenses we determine reasonably necessary for preparation of the case. These litigation expenses will be deducted from your share of any judgment or settlement received in this matter. We will request that the Court allocate this deduction of litigation expenses to all class members proportionately from their share of any judgment or settlement received in this matter.

We shall have the right to employ such other and additional counsel to aid and assist us in the prosecution of this claim as we may deem advisable, but without any expense or obligation of any kind to you, or the class, other than as hereinbefore provided. It is currently anticipated that Mr. Kerry Caywood of the Park, Nelson, Caywood and Jones law firm will be assisting us in the prosecution of this case.

We will make no settlement without consulting you and obtaining your approval. Furthermore, in a class action, all settlements must be approved by the Court. As a result, you agree not to enter into any settlement agreement without our prior written consent.

You authorize us to receive the proceeds of any settlement or payment of any judgment, to retain our percentage of the gross proceeds, to deduct from the proceeds any costs and expenses advanced on your behalf, and to disburse the balance of such proceeds to you. Furthermore, all distributions from the class' proceeds must be approved by the Court.

We shall be entitled to the percentage fee we have agreed upon from any recovery, even though you may have dismissed us or substituted another attorney in our place before obtaining such recovery. Furthermore, we shall have an attorney's lien on any recovery received pursuant to this agreement. If your understanding of the agreement is as outlined in this letter, please date and sign this agreement on the spaces provided below and return it to the undersigned at your earliest convenience. The extra copy of this agreement should be retained by you for future reference.

Please do not hesitate to call me should you have any questions regarding this agreement.

Very truly yours.

BURNS & STOWERS, P.C.

Douglas E. Burns

I ACCEPT THE CONTINGENCY ARRANGEMENT AS SET FORTH IN THIS LETTER.

Mar 2,2010

Hazel Ariola Taxee