

IN THE DISTRICT COURT OF BLAINE COUNTY, STATE OF OKLAHOMA

MARK STEPHEN STRACK, SOLE SUCCESSOR TRUSTEE OF THE)
 PATRICIA ANN STRACK REVOCABLE TRUST DTD 2/15/99 AND)
 THE BILLY JOE STRACK REVOCABLE TRUST DTD 2/15/99, AND)
 DANIELA A. RENNER, SOLE SUCCESSOR TRUSTEE OF THE PAUL)
 ARIOLA LIVING TRUST AND THE HAZEL ARIOLA LIVING TRUST,)
 FOR THEMSELVES AND ALL OTHERS SIMILARLY SITUATED,)
 PLAINTIFFS,)
 VS.)
 CONTINENTAL RESOURCES, INC.,)
 DEFENDANT.)

CASE NO. CJ-2010-75
 (JUDGE HLADIK)

**NOTICE OF: (1) PROPOSED SETTLEMENT OF CLASS ACTION;
 (2) MOTION FOR ATTORNEYS’ FEES AND EXPENSES; AND (3) FAIRNESS HEARING**

This is not a solicitation from a lawyer. This Notice is given pursuant to the Order of the District Court of Blaine County, Oklahoma (the “Court”), pursuant to Okla. Stat. tit. 12, § 2023. *If you belong to the Settlement Class and this Settlement is approved, your legal rights will be affected.* **YOU DO NOT NEED TO DO ANYTHING TO REMAIN A PART OF THIS SETTLEMENT CLASS.**

IF YOU DO NOT WANT TO BE IN THE SETTLEMENT CLASS, YOU HAVE TO NOTIFY THE COURT USING THE OPT-OUT PROCEDURE SET OUT BELOW.

Read this Notice carefully to see what your rights and options are in connection with this Settlement.

- On April 3, 2018, the Court preliminarily approved a Settlement in the above-captioned Class Action Litigation (capitalized terms not otherwise defined in this Notice shall have the meanings attributed to those terms in the Settlement Agreement).¹
- This Settlement relates ONLY to Continental Resources, Inc.’s (“Continental”) royalty payments (not overriding royalty payments) for the Class Wells located in the State of Oklahoma, and ONLY to payment for hydrocarbons produced from the Class Wells to the extent of Continental’s working interest ownership in the Class Wells. To determine if a well in which you own a royalty interest is included in this Settlement, **you may obtain a list of the Class Wells by visiting www.StrackvsContinental.com.**
- If you received this Notice, or if you received oil or gas royalty payments from Continental (or possibly from another well operator who was distributing royalties for Continental) on a Class Well since July 1, 1993, you are likely a member of the Settlement Class (or possibly a royalty distributor who distributed royalties for Continental). Please see the formal definition of the Settlement Class listed below in Question No. 1 “**Why did I receive this Notice?**”
- This Settlement involves three separate time periods (Continental’s agreement as to each time period is different) and your participation in this Settlement may relate to any one, two or all three of the time periods, depending upon the production dates from your Class Well:

| | “Claim Period 1” | “Claim Period 2” | “Future Period” |
|--|--|--|---|
| Beginning of period | July 1993 Production | December 2015 Production | First Production Month after the end of the Adjustment and Additional Consideration Period (<i>estimated mid-2019</i>) |
| End of period | November 2015 Production | End of the Adjustment and Additional Consideration Period (<i>estimated mid-2019</i>) | Perpetual (unless the law changes) |
| To settle the Released Claims, Continental has agreed to: | Pay Sub-Class 1 Members their allocated share of \$49,800,000.00 | Pay Sub-Class 2 Members for gathering charges deducted, with 9% interest, unless the lease has an Express Deduction Clause | Not deduct Gathering Charges, unless the lease has an Express Deduction Clause; Not deduct Processing or Transportation Charges if the lease has an Express No Deduction Clause prohibiting such deductions |

¹ This Notice only summarizes the Settlement Agreement and the documents referenced therein, which fully describe the terms of the Settlement. Please refer to the Settlement Agreement for a complete description of the terms and provisions of the Settlement, available at www.StrackvsContinental.com.

YOUR LEGAL RIGHTS AND OPTIONS

You Do Not Need To Take Any Further Action To Participate In The Settlement

If the Settlement is approved, you do not need to take any further action to participate in the Settlement (but if you no longer own your minerals, then see below). The portion of the Net Sub-Class 1 Payment and/or Net Sub-Class 2 Payment to which you are entitled will be calculated and paid as part of the administration of the Settlement. Further, **you will also automatically receive the benefit of Continental's agreement during the Future Period** to: (1) not deduct Gathering Charges from your royalties, unless your lease has an express clause that allows Continental to make deductions for Gathering Charges from your royalties (an "Express Deduction Clause"); (2) not deduct Processing Charges from your royalties, if your lease has an express clause that prohibits Continental from making deductions for Processing Charges from your royalties (an "Express No Deduction Clause" for Processing Charges); and (3) not deduct Transportation Charges from your royalties, if your lease has an express clause that prohibits Continental from making deductions for Transportation Charges from your royalties (an "Express No Deduction Clause" for Transportation Charges).

You Have The Right To Opt-Out Of The Settlement Class, Or File Written Comments Or Objections To the Settlement Or Attorneys' Fees And Expenses, But If You Elect To Do So, You Must File With The Court By May 17, 2018 at 5 p.m. CDT

Opt-Out: You May Exclude Yourself From The Settlement By Opting-out Of The Settlement

If you do not wish to be a member of the Settlement Class, you must exclude yourself and you will not receive any payment from the Settlement or the Future Production Period benefits. See the required process described in Answer to Question No. 21.

Written Comment: If You Remain In The Settlement Class, You May File A Written Comment (Supporting Or Opposing) The Settlement Or The Attorneys' Fees And Expenses

If you remain a member of the Settlement Class, you may submit written comments concerning the Settlement and/or Class Counsel's request for an award of Attorney's Fees and Expenses, either supportive or non-supportive. See the required process described in Answer to Question No. 23.

Objection To The Settlement: If You Remain In The Settlement Class, You May File An Objection To The Settlement

If you remain a member of the Settlement Class, you may object to the fairness of the Settlement by submitting a written objection to the Settlement. See the required process described in Answer to Question No. 24.

Objection To The Attorneys' Fees And Expenses: If You Remain In The Settlement Class, You May File An Objection To Class Counsel's Request for Attorneys' Fees And Expenses

If you remain a member of the Settlement Class, you may object to the reasonableness of Class Counsel's Request for an award of Attorneys' Fees and Expenses by submitting a written objection. See the required process described in Answer to Question No. 24.

Objection To Payments To Current Owner Rather Than The Prior Owner

If you no longer own minerals in a Class Well, the Payments will be made to the current owner, not you. If you object to this payment, you must file an objection. See Answer to Question No. 15.

The Fairness Hearing On The Settlement And Attorneys' Fees And Expenses Will Be Held On June 11, 2018 at 9:00 A.M. At the Garfield County Courthouse In Enid, OK

Fairness Hearing: June 11, 2018 at 9:00 A.M. At the Garfield County Courthouse In Enid, OK

The Fairness Hearing is open to the public. **You are NOT required to attend the Fairness Hearing to be part of the Settlement Class. However, you are required to appear in-person or through your own attorney at the Fairness Hearing to present any Objection you may have filed.** Your failure to submit a proper Objection (or appear in-person or through counsel) may result in the Objection being treated as a Written Comment, rather than an Objection. See Answer to Question No. 24.

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1. WHY DID I RECEIVE THIS NOTICE?

This Notice has been posted because you may be a member of the Settlement Class in the Class Action Litigation. Continental's payment history records reflect you may have received payments from Continental (or you have distributed royalties on behalf of Continental) for oil and gas production proceeds from oil and gas wells in Oklahoma during the Claim Period (*see* Answer to Question No. 2). This Notice is not intended to be, and should not be construed as, an expression of any opinion with respect to the merits of the allegations in the Amended Petition filed in the Litigation and attached to the Settlement Agreement as Exhibit "A." This Notice explains the claims being asserted in the Litigation, explains the Settlement, and explains your rights related to the Settlement.

The Court caused this Notice to be posted because, if you fall within this group and are not otherwise excluded from the Settlement Class (*see* Answer to Question 2, "Who are the Class Members?"), your rights will be affected and you have a right to know about the proposed Settlement, and about all of your options, before the Court decides whether to approve the Settlement. If the Court approves the Settlement, after any Opt-outs, Objections and appeals are resolved, the Court-appointed Settlement Administrator and Continental will cause payments to be made to Class Members in accordance with the Settlement Agreement, and Continental will implement for Class Members the appropriate no deduction benefits for the Future Production Period.

2. WHO ARE THE CLASS MEMBERS?

The Court has entered an order which certified the Settlement Class, for settlement purposes only, pursuant to 12 O.S. § 2023 (B)(3) and (C)(6)(b) and which defines who the Class Members are, both in general, and for Sub-Class 1 for Claim Period 1 and Sub-Class 2 for Claim Period 2. The "**Settlement Class**" and "**Sub-Class 1**" and "**Sub-Class 2**" are defined as:

All non-excluded persons or entities who are or were royalty owners in Oklahoma wells that had oil or natural gas production at any time during the period from and after July 1, 1993, and prior to February 1, 2018, where Continental Resources, Inc., or any affiliate of Continental Resources, Inc. (collectively "Continental Resources, Inc."), is or was the operator and/or working interest owner/lessee under oil and gas leases, or under forced pooling orders. The Class Claims relate only to payment for hydrocarbons produced from the wells and only to the extent of Continental Resources, Inc.'s working interest ownership in the Class Wells. The Class does not include overriding royalty owners or other owners who derive their interest solely through an oil and gas lessee.

The persons or entities excluded from the Class are: (1) agencies, departments or instrumentalities of the United States of America and the State of Oklahoma, except the Commissioners of the Land Office (which is included in the Class), (2) publicly traded oil and gas exploration companies and their affiliates, and (3) any other person or entity Plaintiffs' counsel is, or may be prohibited from representing under Rule 1.7 of the Oklahoma Rules of Professional conduct.

Sub-Class 1 (Claim Period 1):

All persons or entities who are Class Members during Claim Period 1.

Sub-Class 2 (Claim Period 2):

All persons or entities who are Class Members during Claim Period 2 and entitled to a Sub-Class 2 Payment as determined pursuant to paragraph 3.4 of the Settlement Agreement,

3. WHO ARE THE CLASS REPRESENTATIVES?

The Court has appointed: (1) Mark Stephen Strack as Sole Successor Trustee of the Patricia Ann Strack Revocable Trust dated 2/15/99 and the Billy Joe Strack Revocable Trust dated 2/15/99; and (2) Daniela A. Renner, Sole Trustee of the Paul Ariola Living Trust and the Hazel Ariola Living Trust, as Class Representatives.

4. WHO ARE THE CLASS COUNSEL?

The Court appointed the following experienced attorneys to represent the Settlement Class as Class Counsel: (1) Douglas E. Burns and Terry L. Stowers of Burns & Stowers, P.C. and Kerry W. Caywood and Angela Caywood Jones of Park, Nelson, Caywood, Jones LLP.

5. WHO ARE THE RELEASED PARTIES?

The "Released Parties" under the terms of the Settlement Agreement are: Continental Resources, Inc., any subsidiaries or affiliates of Continental, and any officers, directors, employees, agents, representatives, predecessors, successors, members, partners and assigns thereof.

6. WHAT IS THE CLASS ACTION LITIGATION ABOUT?

Plaintiffs filed a petition as a putative class action against Continental on November 4, 2010 and filed an Amended Petition on November 5, 2014. There are over 1,600 Class Wells and over 32,000 Class Members involved in the Class Action Litigation. In the Amended Petition, Class Representatives alleged Continental: (1) failed to pay royalties on all hydrocarbons, made improper deductions for gathering, compressing, dehydrating, field fuel, treating, processing, transporting and/or marketing; (2) provided insufficient reporting; and (3) failed to receive the best price available for oil and gas production from the Class Wells. Class Counsel further asserted Continental engaged in systematic schemes to misreport and skim oil and gas production and royalty proceeds from royalty owners for over 20 years. Specifically, Class Representatives alleged breach of contract and statutory obligations, breach of fiduciary duties, breach of duties to market, breach of duties as operator, actual fraud, deceit, constructive fraud, conversion, unjust enrichment, civil conspiracy, and sought both actual and punitive damages, and sought an accounting for oil and gas production and proceeds from the Class Wells. For a more detailed understanding of the Litigation, you may review the Amended Petition which is attached as Exhibit “A” to the Settlement Agreement, which may be obtained at www.StrackvsContinental.com.

Continental has denied, and continues to deny, any and all liability to the Class Representatives, on behalf of themselves and as representatives of the Settlement Class.

7. WHAT ARE THE PRODUCTION PERIODS INVOLVED IN THE SETTLEMENT?

There are three separate periods of production or Claim Periods under the terms of the Settlement Agreement.

| | “Claim Period 1” | “Claim Period 2” | “Future Period” |
|----------------------------|--------------------------|---|---|
| Beginning of period | July 1993 Production | December 2015 Production | First Production Month after the end of the Adjustment and Additional Consideration Period (<i>estimated mid-2019</i>) |
| End of period | November 2015 Production | End of the Adjustment and Additional Consideration Period (<i>estimated. mid-2019</i>) | Perpetual (unless the law changes) |
| Sub-Class | Sub-Class 1 | Sub-Class 2 | All Class Members |

8. WHAT HAS CONTINENTAL AGREED TO DO UNDER THE SETTLEMENT?

- **Claim Period 1:** Continental has agreed to pay the Sub-Class 1 Members their allocated share of a Gross Settlement Payment of **Forty-Nine Million Eight Hundred Thousand Dollars (\$49,800,000.00)**.
- **Claim Period 2:** Continental will review its Oklahoma oil and gas leases to identify leases with “Express Deduction Clauses” or “Express NO Deduction Clauses,” to make adjustments for Claim Period 2 and the Future Production Period (the “Lease Review Period”). Continental will also review its gas production, proceeds and charges booking procedures as a result of the Settlement (the “Gas Production, Proceeds and Charges Booking Procedure Review Period”).

If the controlling lease, as determined during the Lease Review Period, does not contain an Express Deduction Clause allowing the deduction of Gathering Charges, no deduction of gathering charges identified and accounted for as such on Continental’s payment system in effect during the Sub-Class 1 time period under Continental’s policies and procedures during that period for booking gas production, proceeds and charges from the Sub-Class 2 Members’ royalty payments for Continental’s working interest share of production shall be made by Continental, and **if such gathering deductions were made during Claim Period 2, Continental will calculate the Sub-Class 2 Payment due to the Sub-Class 2 Members based on such gathering charges, and add 9% simple interest to any Claim Period 2 refund to determine the Gross Settlement Payment for Sub-Class 2 Claims.**

Although the amount of the Gross Settlement Payment for Sub-Class 2 Claims cannot be determined until after the Lease Review Period has concluded, Class Counsel have estimated the ultimate Gross Settlement Payment for Claim Period 2 to be approximately Seven Million Five Hundred Thousand Dollars (\$7,500,000.00).

- **Future Production Period:** Beginning with the first month of production after Claim Period 2, and all times thereafter (the “Future Production Period”), but subject to paragraph 11.2 (Change in Law) of the Settlement Agreement, the following will apply to Continental’s royalty payments on Oklahoma oil and natural gas production from the Class Wells:
 - **Future Gathering Charges:** During the Future Production Period, Continental will not deduct Gathering Charges from its leased royalty owner payments on Continental’s working interest share of production unless the lease contains an Express Deduction Clause allowing for the deduction of Gathering Charges.

- **Future Processing Charges:** During the Future Production Period, Continental will not deduct Processing Charges from its leased royalty owner payments on Continental’s working interest share of production if the lease contains an Express NO Deduction Clause prohibiting the deduction of Processing Charges in the calculation of the royalty due the owner during the Future Production Period.
- **Future Transportation Charges:** During the Future Production Period, Continental will not deduct Transportation Charges from its leased royalty owner payments on Continental’s working interest share of production if the lease contains an Express NO Deduction Clause prohibiting the deduction of Transportation Charges in the calculation of the royalty due the owner during the Future Production Period.
- **Force Pooling:** During the Future Production Period, unleased mineral owners subject to a forced pooling order wherein Continental was the applicant or recipient of the Class Members’ right to drill under the forced pooling order (“Force Pooled Interests”) will be treated under the Settlement Agreement consistent with “Future Gathering Charges” above as not containing an Express Deduction Clause related to Gathering Charges. As such, Force Pooled Interests, for settlement purposes only, under the Settlement Agreement, will not be subject to Gathering Charges on Continental’s working interest share of production during Claim Period 2 or the Future Production Period.
- **Other Situations:** Except as specifically set forth under this “Future Production Period” section, the Parties have made no agreement on whether Continental may or may not deduct Gathering Charges, Processing Charges or Transportation Charges during the Future Production Period.

The value of the agreement with Continental to the Settlement Class is dependent on Continental’s future production and development in Oklahoma and is difficult to ascertain. However, **Class Counsel have estimated the value of the agreement with Continental during the first ten (10) years of the Future Production Period to be in excess of Fifty Million Dollars (\$50,000,000.00).**

- **Administrative and Compliance Costs:** Continental will incur substantial costs associated with performing the lease review required by this Settlement, and substantial costs associated with compliance with this Settlement Agreement. Continental shall use its current and historic royalty payment decks in its possession, and production and sales history in its possession, for purposes of determining the Class Well list and Class Member list. As part of the Plan of Allocation and Distribution, Continental will also make Payments to Class Members from Claim Period 1 and Claim Period 2. Continental shall bear the costs it incurs associated with researching, preparing and providing the Class Well and Class Member lists as well as making the initial Payments (as opposed to Residual Sub-Class Payments, if any).

9. WHAT IS THE TOTAL VALUE OF THE SETTLEMENT TO THE CLASS?

For Claim Period 1, Continental has agreed to pay Sub-Class Members their allocated share of \$49,800,000.00. For Claim Period 2 and the Future Production Period, the value of the settlement will be determined by the lease review, determination of the amount of gathering charges deducted during Claim Period 2 and Continental’s future production in Oklahoma during the Future Time Period. As a result, estimating the value of the Settlement during Claim Period 2 and the Future Production Period is difficult and speculative. However, Class Counsel have estimated the value of the Settlement during Claim Period 2 to be approximately \$7,500,000.00 and the value during the Future Production Period to be in excess of \$50,000,000.00.

| | “Claim Period 1” | “Claim Period 2” | “Future Period” | Total Value* |
|---|--|-----------------------------|------------------------------|--------------------------|
| Value of the Settlement to the Class | \$49,800,000.00 Sub-Class 1 Payment | \$7,500,000.00 estimated | \$50,000,000.00 estimated | \$107,300,000.00* |

*Sub-Class 1 Payment + Estimated Values of Sub-Class 2 Payment and the Future Production Period benefits.

10. HOW ARE THE TERMS “GATHERING CHARGES”, “PROCESSING CHARGES” AND “TRANSPORTATION CHARGES” DEFINED IN THE SETTLEMENT AGREEMENT?

For purposes of the Settlement Agreement, the Parties have defined “Gathering Charges”, “Processing Charges” and Transportation Charges” as follows:

- **“Gathering Charges”** shall mean all types of fees, charges, and volumetric or price adjustments reflecting the consideration for services performed by the owner of a gathering system to move natural gas from the custody transfer meter on or near the well location to the inlet of a gas processing facility, or if the gas is not processed at a gas processing facility, to the inlet of an intrastate or interstate pipeline, including any consideration for gathering, fuel, compression, dehydration, and treating services performed upstream of the inlet to the gas processing plant (or upstream of the inlet to the intrastate or interstate pipeline for gas not processed at a gas processing plant).

- “**Processing Charges**” shall mean all types of fees, charges, price adjustments, reductions in value, reductions in volume, in-kind fuel, percentage of proceeds, percentage of index, and any other consideration related to the processing and movement of natural gas from the gas plant inlet meter to custody transfer meter on or near the tailgate of the processing facility into a mainline transmission pipeline; including but not limited to, processing, compression, dehydration, treating, blending, fuel, line loss, and any other services occurring inside the gas processing plant.
- “**Transportation Charges**” shall mean all types of fees, charges, price adjustments, reductions in value, reductions in volume, in-kind fuel, percentage of proceeds, percentage of index, and any other consideration related to movement of natural gas on a mainline transmission pipeline; including but not limited to, compression, dehydration, treating, blending, fuel, line loss, and any other services occurring on the mainline transmission line.

11. HAVE THE CLASS REPRESENTATIVES AGREED IN THIS SETTLEMENT THAT CONTINENTAL IS ENTITLED TO MAKE ANY DEDUCTIONS FROM THE CLASS?

No. The Settlement is structured in terms of what Continental cannot deduct from the Class Members in Claim Period 2 and the Future Production Period. (“Except as set forth in this paragraph 4 [included in this Notice as the Answer to Question 8, “What Has Continental Agreed To Do Under The Settlement”], the Parties have made no agreement on whether Continental may or may not deduct Gathering Charges, Processing Charges or Transportation Charges during the Future Production Period.” See Settlement Agreement, ¶4.5.)

12. DURING CLAIM PERIOD 2, WHY IS THERE AN EXPECTED 12- TO 18-MONTH “ADJUSTMENT AND ADDITIONAL CONSIDERATION PERIOD”?

In order for Continental to implement the Settlement Agreement related to the Future Production Period, it is necessary for Continental to: (1) review the terms of its oil and gas leases from its royalty owners (“Lease Review Period”); (2) review its gas production, proceeds and charges booking procedures (the “Gas Production, Proceeds and Charges Booking Procedure Review Period”); and (3) modify its accounting system. This extensive process will take substantial time and resources to complete, and the Parties have agreed this process “shall be completed as expeditiously as reasonably possible.”

13. AM I REQUIRED TO HIRE AN ATTORNEY?

No. The Court has appointed Class Counsel to represent you and all other Class Members in this Litigation. You will not be directly responsible to pay these attorneys for their services to you or the Class. If the Court approves the Settlement, the Court will determine how much the attorneys will be paid from the Gross Settlement Payments before the Settlement Proceeds are paid to you. If you want to be represented by your own attorney at the Fairness Hearing, you may hire one at your own expense.

14. HOW WILL CLASS COUNSEL BE PAID FOR THEIR SERVICES?

Class Counsel have filed a motion for: (a) an award of an attorneys’ fee of 40% of the Gross Settlement Payments for Claim Period 1 and Claim Period 2; (b) a Class Representatives award (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 (c) 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 the “Attorneys’ Fees and Expenses”). Class Counsel will not be seeking any additional fees based upon the value of the Settlement related to the Future Time Period.

15. I SOLD MY MINERAL INTEREST; WILL I RECEIVE A SETTLEMENT PAYMENT?

No. All Current Sub-Class 1 Owners are Eligible Sub-Class 1 Members and entitled to receive a portion of the Net Sub-Class 1 Payment as determined by the procedures set forth in the Plan of Allocation and Distribution (a copy may be obtained at www.StrackvsContinental.com). Prior Sub-Class 1 Owners are not Eligible Sub-Class 1 Members absent a determination or stipulation that a Prior Sub-Class 1 Owner is entitled to receive a portion of the Current Sub-Class 1 Owner’s Net Sub-Class 1 Payment under the Plan of Allocation and Distribution. Those Sub-Class 1 Members who are Prior Sub-Class 1 Owners must object to the allocation of the Net Sub-Class 1 Payments to the Current Sub-Class 1 Owners to assert a claim for distribution of a portion of the Net Sub-Class 1 Payment attributable to the time they were an owner. The procedures for resolution of potential claims between Current Sub-Class 1 Owners and Prior Sub-Class 1 Owners are set forth in the Plan of Allocation and Distribution.

If you are a Prior Sub-Class 1 Owner, you shall have until **May 17, 2018 at 5 p.m. CDT** to submit in writing your intention to dispute allocation of the settlement payment from a particular royalty interest solely to the Current Sub-Class 1 Owner. Your written objection must contain:

- (1) A heading referring to “Case No. CJ-2010-75, District Court of Blaine County, Oklahoma”;
- (2) Information sufficient to identify the royalty interest being challenged;
- (3) Information sufficient to identify the legal basis for your objection, including proof that you, as the Prior Sub-Class 1 Owner, did not relinquish your right to recover on claims accruing during your time of ownership when title passed to your successor;
- (4) Your current address;
- (5) Your current telephone number; and
- (6) Your signature executed before a Notary Public.

Your written objection **must** be mailed on or before **May 17, 2018 at 5 p.m. CDT** to both the Court and Notice Administrator at the following addresses:

Court Clerk of Blaine County
212 N. Weigle
Watonga, OK 73772

Strack v. Continental Notice Administrator
c/o KCC Class Action Services
P.O. Box 404041
Louisville, KY 40233-4041

Strack v. Continental Notice Administrator
c/o KCC Class Action Services
3301 Kerner Blvd.
San Rafael, CA 94901 (for FedEx)

If no objection to allocation of the settlement payment to the Current Sub-Class 1 Owner is received from you, then upon entry of this Plan of Allocation and Distribution, the Settlement Administrator will allocate the entire settlement payment due to the Current Sub-Class 1 Owner.

16. HOW WILL THE AMOUNT OF MY PAYMENTS BE DETERMINED?

The complete procedures for allocation and distribution of the Gross Settlement Payments are set forth in the Plan of Allocation and Distribution, a copy of which may be obtained at www.StrackvsContinental.com.

Sub-Class 1 Payments: Relying upon Discovery Information and Class Counsel’s Litigation Risk Analysis, the Settlement Administrator developed a model to calculate the asserted damages for the Sub-Class 1 Claim Period and the distribution of the Net Sub-Class 1 Payments at the Class Well level (the “Distribution Model”). Utilizing the Distribution Model, the Sub-Class 1 Gross Payment was allocated by gathering system or claim as follows:

- \$ 3,914,120.31 - Woodford Shale Gathering System
- \$ 6,656,720.84 - Matli Gathering System
- \$11,199,530.85 - Eagle Chief Gathering System
- \$21,427,238.03 - Other Third-party Owned Gathering Systems
- \$ 4,443,748.18 - Waste or Skim Oil Claim
- \$ 2,158,641.79 - Additional Consideration on Oil Sales
- \$49,800,000.00 - Total Gross Sub-Class 1 Payment

The Settlement Administrator shall determine the Net Sub-Class 1 Payment by subtracting the award of Attorneys’ Fees and Expenses and possible gross production taxes due, if any, and thereafter proportionately reduce the Sub-Class 1 Gross Payment by System or Claim Allocation to determine the “Sub-Class 1 Net Payment by System or Claim Allocation”.

With due consideration given to various production characteristics, such as volume of production, timing of production, and the other factors utilized in constructing the Settlement Administrator’s Damage Model, the Settlement Administrator shall further allocate each of the resulting Sub-Class 1 Net Payment by System or Claim Allocations to each Class Well determined to be connected or related to that system or claim. The Settlement Administrator shall then provide to Continental a report of the Sub-Class 1 Net Payment by System or Claim Allocation to the Class Well level and submit it to the Court for approval.

Utilizing the report of the Sub-Class 1 Net Payment by System or Claim Allocation to the Class Well level provided by the Settlement Administrator, Continental shall distribute the Net Sub-Class 1 Payments to the Eligible Sub-Class 1 Members based upon the member’s decimal interest in a Class Well as identified in Continental’s royalty payment accounting system.

Sub-Class 2 Payments: A similar procedure to the Sub-Class 1 Payments will be used for the Sub-Class 2 Payments, except Continental shall calculate the Sub-Class 2 Payment due to the Sub-Class 2 Members based on the gathering charges deducted during Claim Period 2 as they were identified and accounted for on Continental’s payment system. Continental shall then add 9% simple interest to the Claim Period 2 adjustment and provide Class Counsel a report containing information sufficient to verify the Gross Settlement Payments for Claim Period 2 and submit it to the Court for approval.

After obtaining Court approval of the Gross Settlement Payments for Claim Period 2, Continental shall proportionality reduce the Sub-Class 2 Payments by the Attorney’s Fees and Expenses awarded by the Court for Claim Period 2 and distribute to Sub-Class 2 Members through Continental’s normal payment system the Net Sub-Class 2 Payments.

You should periodically check the website at www.StrackvsContinental.com for updated information on the allocation and distribution process.

17. IF I DON'T EXCLUDE MYSELF FROM THE CLASS, WHAT CLAIMS AGAINST CONTINENTAL WILL BE RELEASED BY THE SETTLEMENT?

If you remain in the Settlement Class, you will be releasing the “Released Claims” against Released Parties, including Continental. Pursuant to the Settlement Agreement, the “Released Claims” shall mean the settled and released Class Claims which include the “Released Claims for Sub-Class 1” and the “Released Claims for Sub-Class 2”).

“**Released Claims for Sub-Class 1**” shall mean all Class Claims of the Sub-Class 1 Members or any subsidiaries or affiliates of Sub-Class 1 Members and any officers, directors, employees, agents, representatives, predecessors, successors, members, partners and assigns thereof against Continental, any subsidiaries or affiliates of Continental, and any officers, directors, employees, agents, representatives, predecessors, successors, members, partners and assigns thereof (collectively “the Released Parties”), whether asserted or unasserted, known or unknown, in contract, tort, based on statute, or any other legal or equitable ground or theory, arising out of or related to the payment, calculation, or reporting of the amount, nature, quality or quantity of production, proceeds, or royalties on hydrocarbons produced from the Class Wells during Claim Period 1, including but not limited to claims that were or could have been alleged in the Amended Petition in the Litigation, *but not the Excluded Claims as defined below*.

“**Released Claims for Sub-Class 2**” shall mean all Class Claims of the Sub-Class 2 Members or any subsidiaries or affiliates of Sub-Class 2 Members and any officers, directors, employees, agents, representatives, predecessors, successors, members, partners and assigns thereof against Continental, any subsidiaries or affiliates of Continental, and any officers, directors, employees, agents, representatives, predecessors, successors, members, partners and assigns thereof (collectively “the Released Parties”), whether asserted or unasserted, known or unknown, in contract, tort, based on statute, or any other legal or equitable ground or theory, arising out of or related to the payment, calculation, or reporting of the amount, nature, quality or quantity of production, proceeds, or royalties on natural gas and natural gas liquids produced from the Class Wells during Claim Period 2, including but not limited to claims that were or could have been alleged in the Amended Petition in the Lawsuit, *but not the Excluded Claims as defined below, and further, specifically limited to only those Sub-Class 2 Claims for gathering charges which were identified and quantified pursuant to Paragraph 3.4 of the Settlement Agreement and included as part of the Sub-Class 2 Payment*. Further, prior to the Release Date for Claim Period 2, the Court shall retain exclusive jurisdiction over the Sub-Class 2 Members’ Sub-Class 2 Claims, and during the pendency thereof, the Sub-Class 2 Members shall be prohibited from maintaining any other litigation against the Released Parties as to the Sub-Class 2 Claims which are to be released pursuant to this Settlement Agreement.

“**Excluded Claims**” shall mean:

- i. The claims asserted in Stamp Brothers vs. Continental Resources, CIV-14-182-C, U.S. District Court, Western Oklahoma;
- ii. The “Settling Owners” released claims in *Bryan Mannering, et al. v. Continental Resources, Inc.*, No. CJ-2016-47, Dist. Ct. Custer County, Oklahoma, which are as identified in the Settlement Agreement and Release entered in that case and which are limited to those Settling Owners’ interests in the Akin 1-27-22XH and Pickens Quarter 1-34-27XH wells;
- iii. Claims for interest on royalty payments made by Continental unrelated to the Class Claims and made outside the time frames prescribed by the Production Revenue Standards Act;
- iv. Royalty Payments in the Ordinary Course of Business for production months prior to the Release Date;
- v. Claims for royalty for production months for which no payment on production for that production month has been made to that royalty owner as of the Release Date;
- vi. Claims Continental failed to comply with obligations to protect the Class Members from drainage; or
- vii. Claims Continental breached obligations to the Class Members to develop Oklahoma oil and gas leases.

“**Royalty Payments in the Ordinary Course of Business**” shall mean that portion of the royalty payment a Class Member is entitled to receive on production from the Royalty Share of production proceeds paid, or to be paid, from Class Wells for a particular production month that occurs prior to the Release Date and which is:

- i. the result of retroactive price, volume or value adjustments made by a third-party purchaser of production from Continental that have not been the subject of a payment adjustment to such Class Member as of the Release Date;
- ii. the result of volumetric or cash balancing that has not been the subject of a payment adjustment to such Class Member as of the Release Date; or
- iii. being held in Continental’s suspense accounts as of the Release Date, excluding any Net Settlement Payments attributed to this Settlement Agreement.; and
- iv. any statutory interest that may be due on items i, ii or iii.

18. IF I DON'T EXCLUDE MYSELF FROM THE CLASS, CAN I SUE THE RELEASED PARTIES FOR UNDERPAYMENT OF ROYALTIES?

Not if the underpayments are based upon the Released Claims, but there are certain exceptions from the Released Claims that would allow for the future recovery of underpaid royalties if the underpayment is based upon the exceptions. For example, during both Claim Period 1 and Claim Period 2, you would NOT be releasing the “*Excluded Claims*”, which includes the “*Royalty Payments in the Ordinary Course of Business*”, as those terms are defined above. Further, during Claim Period 2, the Released Claims for Sub-Class 2 are “*specifically limited to only those Sub-Class 2 Claims for gathering charges which were identified and quantified pursuant to Paragraph 3.4 of this Settlement Agreement and included as part of the Sub-Class 2 Payment*”. Finally, there is **NO RELEASE** related to royalty payments related to the Future Production Period. Accordingly, if you believe you have a claim against Continental for any of these exceptions or limitations to the Released Claims, you may still assert those claims and bring an action against Continental on those claims, even if you do not exclude yourself from this Class Settlement.

19. I HAVE TWO CLASS WELLS INVOLVED IN THIS LITIGATION; CAN I EXCLUDE MYSELF FROM THE SETTLEMENT AS TO ONE WELL AND REMAIN IN THE CLASS AND RECEIVE THE SETTLEMENT BENEFITS FOR THE OTHER WELL?

NO. You have to decide whether to exclude yourself from the Settlement Class or remain in the Settlement Class. Your decision must apply to **ALL** of your Class Wells involved in this Class Action Litigation; you cannot make a partial election.

20. WHAT'S THE DIFFERENCE BETWEEN OBJECTING AND EXCLUDING MYSELF?

Objecting is advising the Court you are protesting something about the Settlement or the request for Attorneys' Fees and Expenses. **You can object only if you remain a Class Member.** Excluding yourself is telling the Court you do not want to be part of the Settlement Class. If you exclude yourself from the Settlement Class, you have no basis to object, because the Settlement no longer affects you. If you do not exclude yourself from the Settlement Class, you will remain a member of the Settlement Class and will be bound by the terms of the Settlement Agreement (including the release contained therein) and all orders and judgments entered by the Court regarding the Settlement regardless of whether the Court accepts or denies your objection.

21. IF I DECIDE TO EXCLUDE MYSELF FROM THE SETTLEMENT (“OPT-OUT”), WHAT DO I NEED TO DO?

To exclude yourself from the Settlement Class, you must “Opt-out” of the Settlement Class by **May 17, 2018 at 5 p.m. CDT** by submitting in writing your desire to be excluded from the Class. Your written Opt-out must generally contain the following:

- (1) A heading referring to “Case No. CJ-2010-75, District Court of Blaine County, Oklahoma”;
- (2) A statement indicating your desire to be excluded from the Settlement Class such as:
“I want to exclude myself from the Settlement Class in Strack v. Continental, Case No. CJ-2010-75, District Court of Blaine County, Oklahoma. I understand it will be my responsibility to pursue any claims I may have against Continental, if I so desire, at my own expense. Further, I understand that if I own minerals in more than one Class Well, this Opt-out shall apply to all Class Wells.”
- (3) The name your mineral interest(s) are held in;
- (4) Your current address;
- (5) Your current telephone number; and
- (6) Your signature.

Your written Opt-out **must** be mailed on or before **May 17, 2018 at 5 p.m. CDT** to both the Court and Notice Administrator at the following addresses:

Court Clerk of Blaine County
122 N. Weigle
Watonga, OK 73772

Strack v. Continental Notice Administrator
c/o KCC Class Action Services
P.O. Box 404041
Louisville, KY 40233-4041

Strack v. Continental Notice Administrator
c/o KCC Class Action Services
3301 Kerner Blvd.
San Rafael, CA 94901 (for FedEx)

If you do not follow these procedures—including meeting the date for exclusion set out above—you will not be excluded from the Settlement Class, and you will be bound by all of the orders and judgments entered by the Court regarding the Settlement, including the release of claims.

If you already have a pending case against any of the Released Parties based upon any Released Claims, and you wish to continue with that pending case related to the Released Claims, you must exclude yourself from this Settlement Class by mailing the Opt-out notice in accordance with the procedure set forth above.

If you validly request exclusion as described above: (1) you will not receive a distribution of the Net Sub-Class 1 Payments or Net Sub-Class 2 Payments and will not receive the Future Time Period benefits; (2) you cannot object to the Settlement or the request for Attorneys' Fees and Expenses; and (3) you will not have released the Released Claims against the Released Parties. You will not be legally bound by anything that happens in the Litigation. Do not request exclusion if you wish to participate in the Settlement.

22. WHAT'S THE DIFFERENCE BETWEEN OBJECTING AND SUBMITTING A WRITTEN COMMENT ON THE SETTLEMENT?

Objecting is advising the Court you are protesting something about the Settlement or the request for Attorneys' Fees and Expenses. Submitting a Written Comment is telling the Court there is something about the Settlement or the request for Attorneys' Fees and Expenses you either support or don't support, but you do not intend to formally object.

23. IF I DECIDE TO SUBMIT A WRITTEN COMMENT, WHAT DO I NEED TO DO?

If you decide to submit a Written Comment, you must submit it by **May 17, 2018 at 5 p.m. CDT**. Your Written Comment must generally contain the following:

- (1) A heading referring to "Case No. CJ-2010-75, District Court of Blaine County, Oklahoma";
- (2) Your written statement advising the Court of your desired Comment about the Settlement or the request for Attorneys' Fees and Expenses;
- (3) Your name;
- (4) Your royalty owner identification numbers with Continental;
- (5) Your current address;
- (6) Your current telephone number; and
- (7) Your signature.

Your Written Comment **must** be mailed on or before **May 17, 2018 at 5 p.m. CDT** to both of the following addresses:

Court Clerk of Blaine County
212 N. Weigle
Watonga, OK 73772

***Strack v. Continental* Notice Administrator**
c/o KCC Class Action Services
P.O. Box 404041
Louisville, KY 40233-4041

If you do not follow these procedures—including meeting the date for submission set out above—your Written Comment will not be considered by the Court.

24. IF I DON'T EXCLUDE MYSELF FROM THE SETTLEMENT, BUT I DECIDE TO OBJECT TO SOMETHING ABOUT THE SETTLEMENT OR THE REQUEST FOR ATTORNEYS' FEES AND EXPENSES, WHAT DO I NEED TO DO?

If you do not exclude yourself from the Settlement, but you decide to object to something about the Settlement **or** the request for Attorneys' Fees and Expenses, you must submit your Objection by **May 17, 2018 at 5 p.m. CDT**. Your Objection **must** comply with the following:

- (1) A heading referring to "Case No. CJ-2010-75, District Court of Blaine County, Oklahoma";
- (2) A statement as to whether your Objection is related to the fairness of the Settlement or the request for Attorneys' Fees and Expenses;
- (3) A detailed statement of the specific legal and factual basis for each and every objection;
- (4) A list of any witnesses you intend to call at the Fairness Hearing, together with a brief summary of each witness' expected testimony;
- (5) A list of and copies of any exhibits you may seek to use at the Fairness Hearing;
- (6) A list of any legal authority you intend to present at the Fairness Hearing;
- (7) Your name, current address, current telephone number, and all royalty owner identification numbers with Continental;
- (8) Your signature executed before a Notary Public;
- (9) Identification of your interest in Class Wells from which you have received royalty payments by or on behalf of Continental; and
- (10) If you are objecting to any portion of the requested Attorneys' Fees and Expenses on the basis the amounts requested are unreasonably high, you must specifically state the portion of requested Attorneys' Fees and Expenses you believe is fair and reasonable and the portion that is not, and upon what factual and legal basis you base your Objection.

Your Objection **must** be mailed on or before **May 17, 2018 at 5 p.m. CDT** to both of the following addresses:

Court Clerk of Blaine County
212 N. Weigle
Watonga, OK 73772

***Strack v. Continental* Notice Administrator**
c/o KCC Class Action Services
P.O. Box 404041
Louisville, KY 40233-4041

***Strack v. Continental* Notice Administrator**
c/o KCC Class Action Services
3301 Kerner Blvd.
San Rafael, CA 94901 (for FedEx)

Further, in order for the Objection to be valid, you **must** appear either in-person or through your own counsel at the Fairness Hearing to present the Objection and allow the Court to fully examine the basis, strength and veracity of the Objection. You may retain independent counsel to represent you at the Fairness Hearing; however, failure of a Class Member to submit a proper Objection may result in the Objection being treated as a Written Comment.

The Court will review and consider all properly submitted Written Comments and Objections; however, a Class Member who fails to follow the procedure for submitting an Objection to the Settlement and/or requested Attorneys' Fees and Expenses as set forth herein shall not be permitted to pursue an Objection at the Fairness Hearing or on appeal, and such failure will constitute a waiver of any Objection to the Settlement and/or award of Attorneys' Fees and Expenses.

25. IF THE COURT DENIES MY OBJECTION, CAN I FILE AN APPEAL?

If you submitted a valid Objection, and the Court denies the objection, you may be able to file an appeal in accordance with Oklahoma law. However, if the Court denies the Objection of an Objector and finds the Settlement and/or award of Attorneys' Fees and Expenses fair and reasonable for the remainder of the non-objecting Class Members, the Court may require the Objector to post a supersedeas bond to cover the appellate risk, cost, and delay to the rest of non-objecting Class Members, with the amount of the bond being in an amount determined sufficient by the Court. Further, if the Objector objects only to the award of Attorneys' Fees and Expenses, the Court may sever the Objector's claim from the rest of the Class Members not objecting to the award of Attorneys' Fees and Expenses.

26. WHEN AND WHERE WILL THE COURT DECIDE WHETHER TO APPROVE THE SETTLEMENT AND THE REQUEST FOR ATTORNEYS' FEES AND EXPENSES?

The Court will hold a Fairness Hearing on **June 11, 2018 at 9:00 A.M. at the Garfield County Courthouse in Enid, Oklahoma.** Please note the date and location of the Fairness Hearing is subject to change without further notice. If you plan to attend the hearing, you should check the website www.StrackvsContinental.com to be sure there has been no change of the date and location of the Fairness Hearing. At the Fairness Hearing, the Court will consider whether the Settlement is fair, reasonable and adequate. If there are Opt-outs, Written Comments or Objections, the Court will consider them at that time. After the Fairness Hearing, the Court will decide whether to approve the Settlement and the Plan of Allocation and Distribution. The Court will also conduct an evidentiary hearing on Class Counsel's request for Attorneys' Fees and Expenses, and rule thereon or take the ruling under advisement.

27. HOW DO I GET MORE INFORMATION ABOUT THE LITIGATION, THE SETTLEMENT OR MY RIGHTS AND OPTIONS?

This Notice contains only a summary of the Class Action Litigation and the proposed Settlement. The pleadings and orders filed in the case are in the Court Clerk's file which may be inspected during regular business hours at the Office of the Court Clerk, Blaine County Courthouse, Watonga, Oklahoma. The Court Clerk's Docket Sheet for the Litigation is also available on-line at the following website:

<http://www.oscn.net/dockets/GetCaseInformation.aspx?db=blaine&number=CJ-2010-00075&cmid=121986>.

If you would like to obtain more information about the Class Action Litigation, the Settlement, or have questions about your rights and options, the following sources are also available to you:

- You may visit www.StrackvsContinental.com, which shall be maintained by Class Counsel;
- You may email specific questions to: info@StrackvsContinental.com;
- You may call Toll Free 1-866-666-6721;
- You may write to:
Strack v. Continental Notice Administrator
c/o KCC Class Action Services
P.O. Box 404041
Louisville, KY 40233-4041

PLEASE DO NOT TELEPHONE THE COURT OR THE COURT CLERK'S OFFICE FOR INFORMATION.

Done by Order of the District Court of Blaine County, State of Oklahoma.

Dated: April 3, 2018

Dennis Hladik
District Judge