

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

**PERRY CLINE, on behalf of** )  
**himself and all others** )  
**similarly situated,** )  
 )  
**Plaintiff,** )  
 )  
**v.** )  
 )  
**SUNOCO, INC. (R&M)** )  
**and SUNOCO PARTNERS** )  
**MARKETING & TERMINALS, L.P.,** )  
 )  
**Defendants.** )

**Case No. 17-cv-313-JAG**

**NOTICE OF PENDENCY OF CLASS ACTION**

**TO: ALL NON-EXCLUDED PERSONS OR ENTITIES WHO: (1) RECEIVED UNTIMELY PAYMENTS FROM DEFENDANTS (OR DEFENDANTS' DESIGNEES) FOR OIL PROCEEDS FROM OKLAHOMA WELLS ON OR AFTER JULY 7, 2012, AND (2) WHO HAVE NOT ALREADY BEEN PAID STATUTORY INTEREST ON THE UNTIMELY PAYMENTS (THE "CLASS").**

*A federal court has authorized this notice. This is not a solicitation from a lawyer.*

**PLEASE READ THIS NOTICE CAREFULLY AND IN ITS ENTIRETY. YOU MAY BE A MEMBER OF THE CLASS DESCRIBED HEREIN. AS SUCH, YOUR RIGHTS MAY BE AFFECTED BY A PENDING CLASS ACTION LAWSUIT. THIS NOTICE ADVISES YOU OF YOUR OPTIONS REGARDING THE CLASS ACTION.**

**PLEASE DO NOT CALL OR WRITE THE COURT.  
IF YOU HAVE ANY QUESTIONS AFTER READING THIS NOTICE,  
YOU SHOULD CONTACT CLASS COUNSEL OR THE ADMINISTRATOR,  
AS DISCUSSED FURTHER BELOW.**

This Notice is being sent pursuant to Rule 23 of the Federal Rules of Civil Procedure and an Order of the United States District Court for the Eastern District of Oklahoma ("Court") to inform you: (a) of a class action lawsuit that is now pending in the Court under the above caption (the "Action") against Sunoco, Inc. (R&M) and Sunoco Partners Marketing & Terminals, L.P. ("Sunoco" or "Defendants"); and (b) that the Action has been certified by the Court to proceed as a class action on behalf of the Class, as defined in paragraph 1 below. **This Notice is not a settlement notice and you are not being asked to submit a claim.**

1. By Order dated October 3, 2019, the Court certified the following Class:

All non-excluded persons or entities who: (1) received Untimely Payments from Defendants (or Defendants' designees) for oil proceeds from Oklahoma wells on or after July 7, 2012, and (2) who have not already been paid statutory interest on the Untimely Payments. An "Untimely Payment" for purposes of this class definition means payment of proceeds from the sale of oil production from an oil and gas well after the statutory periods identified in OKLA. STAT. tit 52, §570.10(B)(1) (i.e., commencing not later than six (6) months after the date of first sale, and thereafter not later than the last day of the second succeeding month after the end of the month within which such production is sold). Untimely Payments do not include: (a) payments of proceeds to an owner under OKLA. STAT. tit 52, §570.10(B)(3) (minimum pay); (b) prior period adjustments; or (c) pass-through payments.

The persons or entities excluded from the Class are: (1) agencies, departments, or instrumentalities of the United States of America or the State of Oklahoma; (2) publicly traded oil and gas companies and their affiliates; (3) persons or entities that Plaintiffs counsel may be prohibited from representing under Rule 1.7 of the Oklahoma Rules of Professional Conduct; and (4) officers of the court.

2. This Notice is directed to you because you may be a member of the Class. If you are a member of the Class, your rights will be affected by this Action. If you do not meet the Class definition, this Notice does not apply to you. If you are uncertain whether you are a member of the Class, contact Class Counsel listed in paragraph 21 below, or your own attorney.

3. This Notice is not an admission by Defendants or an expression of any opinion by the Court as to the merits of the Action, or a finding by the Court that the claims asserted by the Class Representative<sup>1</sup> in this Action are valid. This Notice is intended solely to inform you of the pendency of this Action and of your rights in connection with it, including the right to request exclusion from the Class. There is no judgment, settlement or monetary recovery at this time. Defendants have denied Class Representative's claims and contend that they are not liable for the harm alleged by Class Representative.

4. The Class definition may be subject to change by the Court pursuant to Rule 23 of the Federal Rules of Civil Procedure.

### **DESCRIPTION AND STATUS OF THE LAWSUIT**

5. This is an oil and gas class action against Defendants for alleged violations of Oklahoma law as set forth in the interest provisions of the Oklahoma Production Revenue Standards Act, 52 OKLA. STAT. § 570.10 ("PRSA" or the "Act"). The PRSA requires oil and gas companies to pay production proceeds to owners within certain time periods. With some exceptions, the first purchaser or holder of proceeds must pay statutory interest if it does not pay

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<sup>1</sup> Plaintiff Perry Cline has been appointed by the Court as the representative for the Class.

the proceeds on time. The payor must pay 6 percent or 12 percent interest, depending on the cause of the delay in payment. Class Representative alleges Defendants violated the PRSA by failing to pay statutory interest on late payments under this provision unless an owner makes a demand. Class Representative alleges Defendants' conduct constitutes violations of the PRSA and fraud. Defendants deny the allegations of wrongdoing asserted in the Action, deny they have done anything wrong, and deny any liability for the claims alleged by Class Representative and members of the Class. Defendants have also asserted various defenses.<sup>2</sup>

6. On July 7, 2017, Plaintiff initiated this Action by filing his Original Petition in the District Court of Seminole County, Oklahoma against Defendants.

7. On August 14, 2017, Defendants filed a Notice of Removal, removing this Action to federal court under the Class Action Fairness Act.

8. On August 21, 2017, Defendants filed their Answer to Plaintiff's Original Petition.

9. Thereafter, the parties engaged in substantial discovery, including the filing of multiple motions pertaining to various discovery issues.

10. On June 14, 2019, Plaintiff filed his Motion to Certify Class, to Appoint Class Representative, and to Appoint Class Counsel and Brief in Support, to which Defendants responded on August 14, 2019. The Court, by Order dated October 3, 2019, granted Plaintiff's Motion to Certify Class. The Court's Order certifying the Class does not guarantee Class Members will receive money or benefits; that will be decided later in the lawsuit.

11. On August 8, 2019, Defendants filed a Motion to Dismiss for Lack of Subject Matter Jurisdiction and Brief in Support, to which Plaintiff responded on August 22, 2019. The Court, by Order dated October 3, 2019, denied Defendants' Motion to Dismiss.

12. The litigation is ongoing.

13. No court has made a ruling on the merits of Class Representative's allegations or on Defendants' denials and defenses.

### **YOUR RIGHTS AS A CLASS MEMBER**

14. A class action is a type of lawsuit in which one or several individuals or entities prosecute claims on behalf of all members of a group of similarly situated persons and entities to obtain monetary or other relief for the benefit of the entire group. Class actions avoid the necessity of each member of a class having to file his, her, or its own separate lawsuit to obtain relief. Class actions are used to decide legal and factual issues that are common to all members of a class.

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<sup>2</sup> Please note that this Notice does not describe all claims and defenses asserted by the parties. The section entitled "Where You Can Find Additional Information" describes the process by which you can obtain additional information about the Action and the claims and defenses asserted.

15. If you (1) received Untimely Payments (as that term is defined above in paragraph 1) from Defendants (or Defendants' designees) for oil proceeds from Oklahoma wells on or after July 7, 2012, and (2) have not already been paid statutory interest on the Untimely Payments, and you are not excluded by definition from the Class, you are a member of the Class. If you are a member of the Class, you have the right to decide whether to remain a member of the Class. If you are a member of the Class and wish to be excluded from the Class, you must request exclusion in accordance with the procedures set forth in paragraph 17 below. ***If you want to remain a member of the Class, you do not need to do anything at this time.*** Your decision is important for the following reasons:

- a. **If you choose to remain a member of the Class**, you will be bound by all past, present and future orders and judgments in the Action, whether favorable or unfavorable. If any money is awarded to the Class, either through a settlement with Defendants or a judgment of the Court after a trial and appeal, you may be eligible to receive a share of that award. However, if you remain a member of the Class, you may not pursue a lawsuit on your own behalf with regard to any of the issues in this Action. Pursuant to Rule 23(e)(4) of the Federal Rules of Civil Procedure, it is within the Court's discretion whether to allow a second opportunity to request exclusion from the Class if there is a settlement or judgment in the Action after a trial and appeal. Please note that if you remain a member of the Class, you will not be personally responsible for Class Counsel's attorneys' fees or costs. Class Counsel have agreed to represent the Class on a contingent fee basis, which means that they will be awarded fees and costs to be approved by the Court only if they succeed in obtaining a recovery from one or more Defendants. Any attorneys' fees for Class Counsel will be awarded by the Court from the settlement or judgment, if any, obtained on behalf of the Class. As a member of the Class, you will be represented by Class Counsel. Alternatively, you may remain a member of the Class and elect to be represented by counsel of your own choosing. If you do retain separate counsel, you will be responsible for that attorney's fees and expenses and that attorney must enter an appearance on your behalf by filing a Notice of Appearance with the Court and mailing it to Class Counsel at the addresses set forth in paragraph 21 below on or before **December 9, 2019**.
- b. **If you choose to be excluded from the Class**, you will not be bound by any orders or judgments in this Action, nor will you be eligible to share in any recovery that might be obtained in this Action. You will retain any right you have to individually pursue any legal rights that you may have against any Defendants with respect to the claims asserted in the Action. Please refer to paragraphs 17-20 below if you would like to request exclusion from the Class.

16. Members of the Class will be eligible to participate in any recovery that might be obtained in the Action. This Notice is not intended to suggest any likelihood that Class Representative or members of the Class will obtain any recovery.

## HOW TO BE EXCLUDED FROM THE CLASS

17. To exclude yourself from the Class, you must send a letter by first-class mail stating that you “request exclusion from the Class in *Cline v. Sunoco, Inc. (R&M), et al.*, Case No. 17-cv-313-JAG.” Your request must state your full name, address and telephone number and be signed if mailed. If you are acting on behalf of a Class Member (such as an estate, corporation or partnership), please indicate your full name, your title indicating the basis of your authority to act on behalf of the Class Member. You must mail your exclusion request, ***postmarked no later than December 9, 2019***, to:

***Cline v. Sunoco, Inc. (R&M), et al.***  
**c/o JND Legal Administration**  
**PO Box 91342**  
**Seattle, WA 98111**

Alternatively, you may email your request for exclusion with the same information listed above (without handwritten signature) to the Class Administrator at **[info@cline-sunoco.com](mailto:info@cline-sunoco.com)**. Emails requesting exclusion ***must also be sent by December 9, 2019***.

If you prefer, you may use the attached “Request for Exclusion From Class” form to exclude yourself from the class by filling in the information required and mailing it or emailing it to the Class Administrator ***by December 9, 2019***.

18. You cannot exclude yourself from the Class by telephone or facsimile. Requests for exclusion that do not comply with the above requirements will be invalid, unless otherwise accepted by the Court, subject to any objections of the parties to be resolved by the Court.

19. Do not request exclusion if you wish to participate in this Action as a member of the Class.

20. If you properly request exclusion from the Class, you will not be bound by any orders or judgments in this Action, but you also will not be eligible to share in any recovery that might be obtained in this Action. If you properly request exclusion from the Class, you will be entitled to pursue an individual lawsuit, claim or remedy, if available, which you may have, at your own expense.

## CLASS COUNSEL

21. The Court appointed the law firms of Nix Patterson, LLP; Ryan Whaley Coldiron Jantzen Peters & Webber, PLLC; and Barnes & Lewis, LLP as Class Counsel. If you have any questions concerning the matters raised in this Notice, you may contact Class Counsel, as follows:

<p>Bradley E. Beckworth, Esq. Jeffrey Angelovich, Esq. Andrew G. Pate, Esq. Trey Duck, Esq. NIX PATTERSON, LLP 3600 North Capital of Texas Highway Suite 350, Building B Austin Texas, 78746 Telephone: (512) 328-5333 Facsimile: (512) 328-5335</p> <p>Robert N. Barnes, Esq. Patranell Lewis, Esq. Emily Nash Kitch, Esq. BARNES &amp; LEWIS, LLP 208 N.W. 60th Street Oklahoma City, OK 73118 Telephone: (405) 843-0363 Facsimile: (405) 843-0790</p>	<p>Patrick M. Ryan, Esq. Phillip G. Whaley, Esq. Jason A. Ryan, Esq. Paula M. Jantzen, Esq. RYAN WHALEY COLDIRON JANTZEN PETERS &amp; WEBBER PLLC 900 Robinson Renaissance 119 North Robinson Oklahoma City, OK 73102 Telephone: 405-239-6040 Facsimile: 405-239-6766</p>
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22. As noted above, unless you elect to retain your own personal lawyer, if you remain in the Class, you will not have any direct obligations to pay the costs of the litigation. If there is a recovery by the Class in this Action, all costs and expenses of the Action, including Class Counsel's attorneys' fees, will be paid from that recovery in an amount approved by the Court.

23. If you want to be represented by your own lawyer, you may hire one at your own expense. If you do retain your own lawyer, such counsel must enter an appearance on your behalf by filing a Notice of Appearance with the Clerk of the Court at the United States District Court for the Eastern District of Oklahoma, 101 North 5<sup>th</sup> Street, Room 208, Muskogee, Oklahoma 74401, **on or before December 9, 2019**. Your Notice of Appearance must also be mailed to Class Counsel at the addresses set forth in paragraph 21 above, **on or before December 9, 2019**.

**PLEASE KEEP YOUR ADDRESS CURRENT**

24. To assist the Court and the parties in maintaining accurate lists of Class Members, you are requested to mail notice of any changes in your address to:

*Cline v. Sunoco, Inc. (R&M), et al.*  
c/o JND Legal Administration  
PO Box 91342  
Seattle, WA 98111

25. If this Notice was forwarded to you by the postal service, or if it was otherwise sent to you at an address that is not current, you should immediately contact the Administrator, JND Legal Administration, at the address above or toll free at (844) 924-0848 and provide them with your correct address. If the Administrator does not have your correct address, you may not receive notice of important developments in this Action.

**WHERE YOU CAN FIND ADDITIONAL INFORMATION**

26. This Notice gives only a summary of the lawsuit and the claims asserted by Class Representative. For more detailed information regarding the Action, you may contact Class Counsel or visit [www.cline-sunoco.com](http://www.cline-sunoco.com).

27. Complete copies of the pleadings, orders, and other documents filed in this Action are available at <http://www.pacer.gov> or at the office of the Clerk of the Court, United States District Court for the Eastern District of Oklahoma, 101 North 5<sup>th</sup> Street, Room 208, Muskogee, Oklahoma 74401, under Case No. 17-cv-313-JAG.

**PLEASE DO NOT CALL OR WRITE THE COURT OR CLERK OF THE COURT  
REGARDING THIS NOTICE.**

DATED: November 8, 2019

BY ORDER OF THE COURT  
UNITED STATES DISTRICT COURT  
EASTERN DISTRICT OF OKLAHOMA