

EXHIBIT 2

**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

DECLARATION OF PERRY CLINE

I, PERRY LOREN CLINE, of lawful age, upon personal knowledge, and pursuant to 28 U.S.C. § 1746, declare as follows:

1. I am the Named Plaintiff and Class Representative in the above-referenced class action (the “Litigation”). I have personal knowledge of the facts set out in this Declaration based upon my involvement in this Litigation and information provided to me by Class Counsel.

2. By submitting this Declaration, I do not intend to waive any protections available to me including, but not limited to, the attorney-client privilege, work product privilege, or any other privileges I may have.

3. As the Court is aware, I testified during the trial in this case. I respectfully incorporate my trial testimony as if fully set forth in this Declaration. As a brief summary:

4. In 1898, my great-grandfather settled in the area now known as Hennessey, Oklahoma. I grew up in Hennessey and I still live there with my family, in the house built by my father and where I have lived since the second grade.

5. To support my family, I operate a trucking service and a stagecoach business, and I also farm, raise livestock, and work at rodeos. In addition to the income I earn from this work, I also support my family with royalty payments from oil and gas production on our land.

6. My family owns mineral rights to land acquired by my great-grandfather. My sisters and I inherited those interests directly from our father, and the interests held by our mother were inherited through the Gwen Cline Trust. I am the trustee of the Gwen Cline Trust and, as part of my duties, I keep track of the royalty payments sent to the Trust for the benefit of me and my sisters. As relevant to this Litigation, my sisters and I own mineral interests in the Cline 1-13, Snowman, and Boss Hogg wells.

7. In 2015, I was concerned that Sunoco might not be paying me correctly for my mineral interests. I consulted my attorney, Tina Walker, to see if she could help me receive my royalty payments. After multiple communications with Sunoco, we learned that Sunoco was unlawfully withholding some of my royalty payments because I had not signed a division order.

8. Ms. Walker instructed Sunoco that Oklahoma law does not require a signed division order as a condition for payment of royalty. Sunoco eventually paid some of the royalty it owed to me but, it did not pay the statutory interest required under Oklahoma's Production Revenue Standards Act. At this point, Ms. Walker recommended I contact the litigation team that ultimately represented me in this action.

9. After several meetings with the attorneys at Nix Patterson and Ryan Whaley, I signed a retention agreement with them on March 23, 2017. I negotiated the retention agreement and agreed to a 40% contingent fee, which I believed was fair and reasonable at the time. I could not afford to advance costs and expenses and also pay attorneys by the hour to fight Sunoco. Before this Litigation was filed on July 7, 2017, I also worked with these attorneys by finding documents related the Cline 1-13, Snowman, and Boss Hogg wells and payments from Sunoco; reviewing drafts of the Petition; and participating in additional meetings.

10. I understood that by filing this Litigation as a class action and being named as a class representative, I would be acting on behalf of other people who have similar interest claims against Sunoco. I take that obligation very seriously and, as class representative, I have kept up with all of the proceedings and I have tried to do what is best for the Class instead of just what might be best for me.

11. For example, a couple of months after I filed this Litigation, Sunoco sent me a check for unpaid interest it owed on some of the late payments it sent to me. Sunoco also sent a similar letter to each of my sisters and another letter to me as trustee of my mother's Trust. Although I could have used the money to support my family, I did not cash those checks because I was worried that it could have affected the Litigation and my obligation to do what is best for the Class. Instead of cashing these checks and leaving the rest of the Class to fend for themselves, I chose to do without this money and keep fighting for the Class.

12. About six months later, Sunoco sent me a letter saying I needed to cash the checks or they were going to put my payments into suspense and I would not get the money they owed to me. Sunoco did not copy my lawyers or tell them about the letter and demand that I cash the checks even though we were in the middle of this case. Once again, I refused to cash the checks and take the money for myself because I didn't want to do anything that might hurt this Litigation and risk leaving the other royalty owners in the Class with nothing. So, I decided to keep fighting Sunoco and risk not getting paid. Since receiving those checks from Sunoco, I have spent extra time reviewing all of the information on my checks and consulting my attorneys, to make sure Sunoco was not trying to pay me interest that might jeopardize the Litigation or my efforts to represent the Class.

13. As explained above, I retained Class Counsel in March of 2017. I believed these law firms were experts in complex litigation and had sufficient legal and financial resources to vigorously prosecute this Litigation on behalf of myself and on behalf of all Class members against Sunoco, which claims to have billions of dollars in resources. Based on my evaluation of this complex Litigation, the risks associated with the Litigation, the potentially significant expenses Class Counsel could be required to incur, and the high level of representation to be provided by

Class Counsel, I agreed that Class Counsel would represent me on a contingency fee basis, not to exceed 40%. Therefore, Class Counsel and I executed a written agreement that Class Counsel could seek a fee of 40% of any gross recovery for the Class. Again, I believed then and still believe today that the 40% fee was fair and the market rate. I could not have afforded to pay these attorneys by the hour or pay for the costs and expenses of this case, so I hired them on a contingent basis.

14. The attorney fee contract also included a provision that if we ever won a settlement or judgment on behalf of the Class, the attorneys would request that class members help pay for this fee, and reimburse litigation expenses, just like me by paying the 40% and any expenses out of any settlement or judgment fund. I also understood and agreed that, if this case ended up proceeding as a class action, the decision about how much the Class would owe from any settlement or judgment fund would be up to the Court.

15. I also want to make it clear that I was never promised anything in return for participating in this lawsuit. I was not promised a recovery. And I was not promised that I would receive any type of case contribution or case incentive award. Instead, I was told (without waiving attorney client privilege) that there was no guarantee of any outcome, we could lose at trial or on appeal, and that if we won, the decision of whether I would be entitled to an incentive or case contribution award at all, and the amount of such award if any, would be entirely up to the Court. As a result, my only focus throughout this case was to try to help the Class get as much money as possible from Sunoco.

16. By participating in this Litigation, I wanted to make Sunoco pay what it was legally required to pay me and other owners of Oklahoma wells. Specifically, I hoped to obtain a monetary recovery for myself and other owners in the Class who were improperly paid by Sunoco.

17. I have, at all times, been informed, involved, and active in the Litigation. Prior to filing the Petition in 2017, I worked with Class Counsel by participating in meetings, reviewing files, locating information related to my mineral interests, reviewing the draft Petition, and engaging in multiple communications regarding each of these activities.

18. Since the filing of the Petition, I have remained in constant communication with Class Counsel; identified materials and information related to the claims and defenses in this case; and reviewed pleadings, briefs, and written discovery. I have reviewed documents from proceedings in both the district court and the multiple appeals filed by Sunoco. I have been deposed twice, and before those depositions, I met with my attorneys on multiple days to prepare for my deposition testimony. As part of my work on behalf of the Class, I have helped find evidence and I introduced Class Counsel to Paul Walker, who provided testimony at the trial. *See* Declaration of Paul Walker (filed contemporaneously). In November 2019, I traveled to Austin to participate in a mediation, and in December 2019, I traveled to Muskogee for the trial of this case. I stayed in Muskogee with the trial team for the entire trial, and was in the courtroom all day, every day on behalf of the Class. In May of 2022, I also participated in an all-day, post-trial mediation in Oklahoma City with the Magistrate Judge, as ordered by the Court. My attorneys have informed me that I cannot give details of the settlement negotiations that took place. However, without waiving any mediation privileges, I do want the Court to know that I spoke directly with the Magistrate Judge to make sure he understood that I was not willing to back down from Sunoco or sell out the Class in order to take less than the full amount ordered by the Court in the Final Judgment, and that I believe it is important that the punitive damage award be paid in full so that Sunoco and other oil companies would know what they did is not right and they can't get away with it.

19. During any and all settlement negotiations, I always put the interests of the Class ahead of my own. I did not abandon the claims, for example, of Class Members whose money was eventually sent to unclaimed property in order to potentially obtain a quicker resolution, nor did I agree to reduce the interest rate sought below the maximum amount allowed under the law.

20. Over the years, more and more people in Hennessey and the surrounding areas who I believe to be Class Members have become aware of this Litigation and the fact that I am the Class Representative. As a result, they often ask me about the case, and I do my best to stay current on all of the filings and activities so I can answer their questions. Sometimes people ask me questions when I see them at church or in town having lunch at the local diner or running errands, and some people call me to get information about the case. For example, an elderly member of the Class calls me on a regular basis to check on the Litigation, with particular concerns that he may not live long enough to receive his distribution from the Judgment. Over the past several years, I think I have averaged at least an hour per week responding to these types of questions. After significant events in the Litigation, like entry of the Judgment and whenever Notices are mailed to the Class, the number and frequency of questions increase.

21. For almost six years, I have worked with Class Counsel to pursue my claims against Sunoco, as well as the claims of tens of thousands of other Class Members who were improperly paid by Sunoco. For years, Sunoco kept millions of dollars that belonged to owners it paid late. As a result of Class Counsel's work, those people are finally going to get the money Sunoco should have paid them long ago. I am very pleased with the efforts of Class Counsel who at all times conducted themselves with professionalism and diligence while effectively representing my interests and the interests of the Class.

22. Litigating this case has required Class Counsel to spend thousands of hours on activities such as: discovery of documents and data; obtaining deposition testimony; legal and factual research; accounting review and analysis; consultation by and with experts; settlement negotiations; damage modeling; attending multiple hearings and the trial in Muskogee; briefing in both the district court and the multiple appeals filed by Sunoco in the Tenth Circuit Court of Appeals and the United States Supreme Court; enforcement actions; and other investigations and preparation. I have been informed and involved throughout this Litigation, including all the of the post-trial work.

23. I believe the Judgment obtained on behalf of the Class is extraordinary. The Judgment includes: 100% of the Class's maximum actual damages in the amount of \$80,691,486.00; punitive damages in the amount of \$75,000,000.00, plus post-judgment interest (collectively the "Judgment Common Fund"); and stipulated fees and costs paid by Sunoco in the amount of \$5,000,000.00, which Class Counsel intend to request the Court use as an offset to any fees or expenses awarded from the Court, for a total of \$160,691,486.00 plus post-judgment interest. I understand both amounts are in interest-bearing accounts overseen by the Judgment Administrator. All Class members have already received the principal payments owed to us. The actual damages award represents 100% of any interest owed to us on any late principal payments, at the highest possible rate. With the addition of punitive damages, the total value of the Judgment is almost double the amount of the Class's actual damages as determined by the Court.

24. I understand Class Counsel will seek attorneys' fees up to 40% of the Judgment Common Fund, and that the amount of attorneys' fees paid from the Judgment Common Fund may be offset by \$4,500,000.00 in stipulated fees paid by Sunoco. I also understand Class Counsel will also seek reimbursement of litigation expenses up to \$850,000.00, and Administration, Notice, and

Distribution Costs up to \$650,000.00, and that the amount of litigation expenses may be offset by up to \$500,000.00 in stipulated costs paid by Sunoco.

25. I also agreed to the payment \$5 million in stipulated costs and attorney's fees paid by Defendants. I understand that the PRSA entitled me as a prevailing party to seek certain fees and costs from Defendants. The Defendants have fought us on appeal for years and continue to fight and appeal every decision the Court issues, even after they lost at the United States Supreme Court. I believe that negotiating a stipulated payment of \$5 million was a much better strategy than fighting with Defendants and risking multiple appeals over statutory attorney's fees and costs for several more years, especially when they claim they still haven't even lost and I am not a prevailing party. Also, I agreed the entirety of that amount should be shared proportionately by the Class so that, subject to the Court's approval, this \$5 million can benefit the entire Class by being used to offset part of the overall attorneys' fees and expense reimbursement that I owe and the Class may owe, and it can be done proportionately to what I and every other Class member stand to recover from the Judgment Common Fund.

26. As a result of Class Counsel's extensive, efficient, and excellent work, I support Class Counsel's application for a fee award of up to 40% of the Judgment, which is consistent with the amount I agreed to.

27. I understand that if the requested awards are granted, attorneys' fees plus reimbursed expenses, including litigation expenses and administration, notice, and distribution costs, will be paid out of the Judgment Common Fund. As a result of Class Counsel's efforts, even after deducting the requested fees, expenses, administration costs, and case contribution award, I understand Class members will still receive over 100% of their actual damages. This is

an extraordinary result for the Class members and, as such, Class Counsel should receive the requested fee.

28. I support the reimbursement of the requested Litigation Expenses of Class Counsel, not to exceed \$850,000.00. I believe this amount is fair and reasonable and should be awarded as Class Counsel have litigated this case since 2017 without any compensation. As a practical matter, I do not believe most Class members would be able to pursue this type of case, and recover the money Sunoco owed to them, if they had to pay costs and expenses on their own. I know I could not have done so, nor could my friend Mr. Walker, my sisters, or any of the other Class members I know.

29. I also support the requested \$650,000.00 in Judgment Administration, Notice, and Distribution Costs so the administrator and supporting experts who perform work to administer and distribute the Judgment Common Fund to the Class can be compensated for their efforts.

30. While I will recover only my pro rata share of the Judgment Common Fund, I, as Class Representative, am seeking a case contribution award for representing the Class, which will not exceed \$500,000, the amount stated in the Notice. I believe that such an award is justified in this case. The amount of the case contribution award sought is based on the amount of time I dedicated to the Litigation, as well as a reasonable estimate of the time I anticipate I will dedicate to the Litigation in the future, multiplied by a reasonable hourly rate, and factoring in the extraordinary result I believe we were able to obtain for the Class. I understand Oklahoma law allows the Court to consider additional factors beyond just the hours worked on the case. As discussed below, based on the result obtained, I think it is reasonable and appropriate to increase the case contribution award beyond a straight hours \times rate calculation.

31. First, I believe I actively and effectively fulfilled my obligations as a representative of the Class, complying with all demands placed on me during the prosecution of this Litigation. As described more fully above, my activities on behalf of the Class included: reviewing draft pleadings and motions; searching for and producing records; reviewing discovery; sitting for two depositions; communicating regularly with Class Counsel; attending multiple mediations and settlement conferences; providing testimony at trial; responding to questions from Class Members; and maintaining a continuous oversight and involvement in the Litigation. To date, I have dedicated more than 800 hours to working on this Litigation for the Class. I also anticipate spending at least 30-50 hours working on this case in the future, by preparing for and attending the hearing set for February 28, 2023, assisting the Court and Class Counsel in administering distribution of the Judgment Common Fund, and dealing with Sunoco's incessant appeals. As far as an hourly rate, I have a variety of income sources that justify an hourly rate for my work on this case. I have a business as a farmer and it is hard to calculate an hourly rate on that type of business. But I also operate a bulldozer for \$150/hour and typically earn \$125/hour for truck driving. I also earn money from hosting rodeos in Hennessey, Oklahoma and over a two-day period typically earn approximately \$500/hour. I also host and operate stage coach rides and performances for people and I have earned over \$500/hour on such occasions. If you average these hourly rates, it comes out to approximately \$318/hour.

32. Second, I believe that the result obtained is extraordinary. There were easier paths I could have taken and instructed the lawyers to take that would have led to a much lower but easier recovery. However, that likely would have required me to abandon portions of the Class or portions of their damages. I was not willing to do that and refused to accept less as part of a settlement. As a result, we held Sunoco accountable for 100% of the maximum amount it could

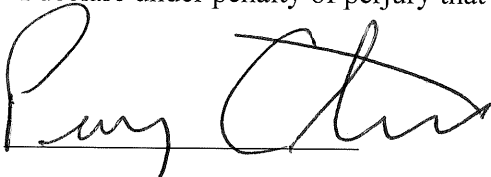
have been liable for under the PRSA. Then we doubled that amount in total value when you consider the punitive damages, stipulated attorney fees and costs, and interest. This means the total value of the case to the Class is approximately two times their actual damages. After attorneys' fees, expenses, and a case contribution award at the requested amounts, the Class will still be able to receive more than 100% of their actual damages. I think this is a fantastic result for the Class and all royalty owners in Oklahoma who may benefit indirectly from this Judgment. That is why I believe it is reasonable and fair to award a case contribution award that is enhanced above the hourly rates for the time and labor I have described above.

33. Third, as a royalty owner with multiple interests, I have, at times, received checks from other class action settlements. I have never received a check for 100% of the amount I was allegedly owed from the claims in those cases. I have also never received a check, to my knowledge, from a judgment after a case went to trial and successfully defended the appeals. But, it has been and remains important to me, to hold Sunoco publicly accountable for its wrongdoing. So, I believe the Judgment here exceeds any results in similar cases.

34. Fourth, this case was not without risk to me. Although Class Counsel agreed to advance costs and expenses of the Litigation, Sunoco sent me a check on multiple occasions for what they claimed was the unpaid interest owed. With the full understanding that I may never get anything out of this lawsuit and could ultimately lose at trial or on appeal, I declined this money (twice) because I believed pursuing the full recovery for myself and the Class and holding Sunoco accountable was the right thing to do. The risk of no recovery was very real to me. Still, we took them to trial and continue to fight them on appeal. Thus, my risk of no recovery continues.

35. I am not aware of any conflicts of interest I have with members of the Class. I was not promised any recovery, nor did I receive any guarantees prior to filing this Litigation or at any time during the Litigation. I was never told, nor has there ever been any discussion, that I would obtain a case contribution award if this case was resolved by settlement or judgment, or that the amount of any award I may ask for or receive would be based upon, tied to, or in any way related to the ultimate outcome of this Litigation, or that any incentive award amount or request would be based upon, tied to, or in any way related to any request for attorneys' fees. Indeed, even if I were to receive no case contribution award, I would continue to act in my capacity as Class Representative. Based on these efforts and the benefits obtained for the Class, I believe a case contribution award is fair and reasonable as compensation for the time and expense I incurred in order to obtain the Judgment awarded to the Class.

I declare under penalty of perjury that the foregoing is true and correct.


Perry Cline

1-30-2023
Date