

**Exhibit “C”
to the Settlement Agreement**

IN THE UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF MONTANA
HELENA DIVISION

MONTANA LAND AND MINERAL
OWNERS ASSOCIATION, INC., ARNOLD
HOKANSON, LOU LUCKE, THE LUCKE
COMPANY, JULIE STRAUSER, CATHY
BESSETTE, HAROLD OLSON, DONALD
BOYCE and MARLA BOYCE,

Plaintiffs,

v.

DEVON ENERGY CORPORATION, DEVON
ENERGY PRODUCTION COMPANY, L.P.,
and DEVON GAS SERVICES, L.P.,

Defendants.

Case No. CV-05-30-H-DWM

**ORDER ON PLAINTIFFS’ MOTION FOR PRELIMINARY APPROVAL AND
PRELIMINARY CERTIFICATION OF THE POTENTIAL SETTLEMENT CLASS**

Plaintiffs’ Motion for Preliminary Approval and Preliminary Certification of the Potential Settlement Class (“Motion”) came before the Court on June 8, 2007. The Plaintiffs were represented by and appeared through James Goetz of Goetz, Gallik & Baldwin; Thomas Meites and Jamie Franklin of Meites, Mulder, Mollica & Glink; John J. Mudd of Mudd Nelson P.C.; and Cal Christian of Christian, Sampson, Jones & Chisolm, and the Defendants Devon Energy

Corporation, Devon Energy Production Company, L.P. and Devon Gas Services, L.P. (“Devon”) was represented by and appeared through Stanley Kaleczyc and Kimberly Beatty of Browning, Kaleczyc, Berry & Hoven, P.C. and Richard Day of Williams, Porter, Day & Neville, P.C. The Court reviewed the materials filed in the matter including the Agreement for Settlement and Release of Claims between the Plaintiffs and Devon (“Settlement Agreement”) as part of the Plaintiffs’ Motion.

THE COURT HEREBY FINDS AND IT IS HEREBY ORDERED:

1. The Individual Plaintiffs and Plaintiff The Lucke Company filed a suit against Devon alleging individual claims and class action claims seeking, among other things, declaratory, injunctive and compensatory relief and certification of a class under Federal Rules of Civil Procedure 23(b)(2) and (b)(3). The Plaintiff Montana Land and Mineral Owners Association, Inc. (“MLMOA”) is a mutual benefits members organization incorporated in Montana and established in 1974. The MLMOA represents oil and gas royalty owners throughout the state of Montana but does not own any royalties nor is it entitled to any royalty payments or reporting documents from the Defendants. As a Plaintiff, MLMOA seeks certification of a class, under Fed R. Civ. P. 23(b)(2) and (b)(3) declaratory and injunctive relief.

2. Devon and the Plaintiffs participated in a mediation session on October 23rd and 24th in Billings, Montana, with Tracy Axelberg, of Kalispell, Montana, and the Honorable Michael Sullivan, of Casper, Wyoming, acting as dual mediators. As a result of that mediation and additional efforts, the parties agreed to settle this action on the terms now memorialized in the Settlement Agreement, executed by and between the parties in April and May 2007. The Settlement Agreement is attached as Exhibit 1 to *Plaintiffs’ Motion for Preliminary Approval*,

Hearing and Provision Certification and is incorporated fully herein. All capitalized terms used in this Order and not defined herein shall have the meanings set forth in the Settlement Agreement. In the event of any conflict between the descriptions in these paragraphs and the more detailed terms of the Settlement Agreement, the Settlement Agreement shall govern.

3. The Court has jurisdiction and venue over this suit and the Settlement Class. Under Fed. R. Civ. P. 23(e), this Court's approval of any settlement is required.

4. The Settled Claims as defined in the Settlement Agreement all arise from the same nucleus of operative facts and form part of the same case or controversy as alleged against Devon in Plaintiffs' Amended Complaint so that all of the claims approved for settlement by this Order were or could have been asserted as class claims in this Action.

5. There are in excess of 1,800 Settlement Class Members and they are so numerous that joinder is impractical.

6. There are questions of law and fact common to the Settlement Class Members and Plaintiffs.

7. The questions of law and fact common to the Settlement Class Members predominate over any questions affecting only individual members, and a settlement of Settlement Class Members' claims by a class action under Fed.R.Civ.P.23 is superior to other available methods for the fair and effective settlement and adjudication of the controversy.

8. Plaintiffs' claims are typical of the Settlement Class Members' claims.

9. Plaintiffs are appropriate representatives of the Settlement Class and have and will fairly and adequately represent the interests of the Settlement Class Members.

10. Settlement Class Members have no special interest in individually controlling the prosecution of separate actions.

11. Class Counsel is experienced and fully qualified.

12. No significant difficulties are likely to be encountered in the management of the action as a class action for settlement purposes.

13. Subject to the provisions of Paragraph 16 of this Order and in accordance with the provisions of Fed. R. Civ. P. 23, the Court certifies as potential members of the Devon Settlement Class the Royalty Payees as set forth in the list of Potential Settlement Class Members attached as Exhibit "B" to the Settlement Agreement ("Potential Settlement Class").

14. The Court approves Plaintiffs as representatives of this Potential Settlement Class and appoints each of Plaintiffs' counsel to represent the Potential Settlement Class ("Class Counsel").

15. The Court finds that the proposed settlement as provided in the Settlement Agreement is fair and reasonable under the circumstances; provided, however, the Court hereby strikes from the Settlement Agreement that portion of § 2.4.4, and all other portions of the Settlement Agreement which specifically or impliedly require continuing jurisdiction by this Court over this Settlement Agreement and hereby orders such provisions of the Settlement Agreement shall have no force and effect, but that if a dispute arises under the Settlement Agreement and the parties are unable to resolve the dispute pursuant to the alternative dispute mechanisms set forth in the Settlement Agreement, the aggrieved party may file a new lawsuit in the United States District Court for the State of Montana, Helena Division, to seek to resolve the dispute, which procedure is set forth in § 2.4.4 and § 4.9 of the Settlement Agreement. This

finding and determination of preliminary approval of the Settlement Agreement as limited by the preceding sentence is subject to the Court's further review of objections, if any, filed with regard to the class settlement according to the terms of the Agreement.

16. The certification of the Potential Settlement Class is only for the purpose of settlement and not for any other purpose in this litigation. This certification is subject to the Court's further review of objections, if any, filed with regard to the class settlement according to the terms of the Settlement Agreement. If settlement of the class claims is not finalized, the certification provided herein shall be void and have no further effect.

17. The Court finds that reasonable and adequate notice will be given to Potential Settlement Class Members by providing the Notice attached as Exhibit 2 to Plaintiffs' Motion for Preliminary Approval, Hearing and Preliminary Certification.

18. The Court finds that reasonable and adequate notice of the settlement will be given to potential members of the Potential Settlement Class if the Notice is sent by certified mail or express mail to each Potential Settlement Class Member's last known address as reflected within the records of Devon.

19. Class counsel will file a Petition for Fees and Costs on or before July 27, 2007.

20. A hearing to consider objections, if any, to the Potential Settlement Class or the Petition for Fees and Costs and to finally determine if the Settlement Agreement is fair and equitable shall be heard at the Paul G. Hatfield Federal Courthouse located at 901 Front Street, Helena, Montana, on August 22, 2007, at 10:00 AM. ("Final Settlement Hearing").

21. Any member of the Potential Settlement Class who desires to be excluded from the Settlement Class shall deliver that member's election to be excluded to Class Counsel on or

before August 10, 2007 (“Deadline for Exclusion”). Any Potential Settlement Class Member may revoke that member’s election to be excluded from the settlement class by delivering such written revocation to Class Counsel in writing on or before August 17, 2007. Class Counsel shall file with the Court a report (“Class Counsel’s Report”) on or before August 21 2007, to provide to the Court a compilation of (a) all Potential Settlement Class Members who have opted out of the Settlement Class (“Opt Out Claimants”), (b) all Opt Out Claimants who have properly revoked their election to opt-out and (c) those Potential Settlement Class Members who shall constitute the Settlement Class if finally approved by the Court at the Final Settlement Hearing.

22. Any objections to the Agreement, the Potential Settlement Class, or the Petition for Fees and Costs shall be filed with this Court on or before August 10, 2007 and shall be served on counsel as provided in the Notice. Any objector who wants to be heard at the Final Fairness Hearing shall file, and serve on counsel for the parties, a Notice of Intent to Appear at the Final Fairness Hearing with this Court on or before August 10, 2007.

DATED this 15th day of June, 2007.

Keith Strong
Keith Strong
United States Magistrate Judge