

DISTRICT COURT, GARFIELD COUNTY, COLORADO Court Address: 109 8 th Street Glenwood Springs, CO 81601 Telephone: (970) 945-5075	DATE FILED: September 21, 2018 CASE NUMBER: 2006CV317
IVO LINDAUER, SIDNEY and RUTH LINDAUER, and DIAMOND MINERALS, LLC, on behalf of themselves and all others similarly situated, Plaintiffs, vs. TEP ROCKY MOUNTAIN LLC, formerly known as WPX Energy Rocky Mountains LLC, formerly known as Williams Production RMT Company LLC and formerly known as Williams Production RMT Company. Defendants.	<input type="checkbox"/> COURT USE ONLY <input type="checkbox"/>
	Case Number: 06 CV 317 Courtroom:
ORDER TO SHOW CAUSE PURSUANT TO C.R.C.P. 107	

PURSUANT TO C.R.C.P. 107(c), THIS COURT, having considered the Settlement Class's Motion to Enforce the Settlement, together with the Settlement entered into by the parties in Case Number 2006 CV 317 in October 2008 ("Settlement") and this Court's Judgment entered March 20, 2009 ("Judgment"), enters the following Order To Show Cause:

JURISDICTION:

1. In October, 2008, Representative Plaintiffs and Williams Production RMT Company entered into the Settlement in Case Number 2006 CV 317 filed in Garfield

County, Colorado District Court. The Settlement was approved by this Court at a fairness hearing on March 20, 2009, and the Judgment was entered by this Court on that same day.

2. Williams Production RMT Company is now known as TEP Rocky Mountain LLC ("TEP"). TEP is the same party that executed the Settlement and remains subject to the jurisdiction of the Court.

3. This Court has the authority and jurisdiction to enforce its own orders and judgments. C.R.S. §13-1-114 c) and *Miller v. EnCana Oil and Gas (USA), Inc.*, 405 P.3d 488, 493 (Colo. 2017)

4. This Court expressly retained continuing jurisdiction to implement and enforce the Settlement, together with its own orders related thereto, and in the Judgment entered March 20, 2009 in this Case.

FINDINGS:

This Court finds that:

1. The Motion to Enforce Court Order and Settlement Agreement ("Motion to Enforce") is supported by affidavit and otherwise complies with the requirements set out in C.R.C.P. 107(c) for issuance of a show cause order.

2. The Motion and supporting affidavit describe the following breaches of Section 4 of the Settlement:

a) That TEP has breached Section 4.1 of the Settlement by deducting from royalty payments made to Members of the Settlement Class costs incurred by TEP between the initial points of measurement of gas produced from Class Wells to the point of access into Mainline Transmission Pipeline;

b) That TEP has breached Section 4.4 of the Settlement by deducting NGL processing costs in excess of 1/3rd of the value of the NGLs at the applicable plant.

3. The Motion and supporting affidavit describe failures on the part of TEP to comply with the terms of the Settlement and this Court's Judgment. Such conduct on the part of TEP, unless disproven by TEP's showing at the show cause hearing, constitutes indirect contempt pursuant to C.R.C.P. 107(a)(3).

4. As a result, the Settlement Class asserts it is entitled to the following:

- a) An order to enforce the Judgment and Settlement against Defendant pursuant to C.R.C.P. 107 (a)(3), (a)(5), (c) and (d)((2), which requires TEP to comply with the terms of Section 4 of the Settlement, and to prepare an accounting, under the supervision of this Court to determine the amount due to each Member of the Settlement Class as the result of royalty payments made during and after the production month of October, 2015 which have not complied with the requirements of Section 4 of the Settlement;
- b) Such other and further relief as this Court deems to be appropriate, including other relief permitted by C.R.C.P. 107, interest at the maximum rate permitted by law, together with reasonable costs and attorney fees; and
- c) Judgment in favor of the Members of the Settlement Class.

THIS COURT HEREBY ORDERS AND DIRECTS TEP Rocky Mountain LLC to appear by phone On October 23, 2018 at 8:30 a.m. for the purpose giving Defendant the required advisement on the contempt at which time Defendant may admit or deny the contempt. Following the denial, on that same day and time, a hearing to show cause why

it should not be held in contempt pursuant to C.R.C.P. 107, to show cause why it has not breached the terms of the Settlement and has not failed to comply with the Judgment, and to show cause why the relief requested by the Settlement Class should not be granted, in whole or part will be set. Because the October 23, 2018 hearing is just an advisement which will only take about 15 minutes, all parties may appear by phone.

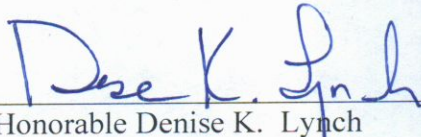
THIS COURT HEREBY ORDERS AND DIRECTS the Settlement Class to serve on TEP pursuant to C.R.C.P. 107 this Order to Show Cause, and a copy of the Motion To Enforce.

TEP may file any response to the Motion To Enforce not less than ten business days prior to the Show Cause Hearing. The Settlement Class may file its reply thereto not less than two business days prior to the Show Cause Hearing. Such briefs shall not exceed ten pages in length. The parties shall identify any witnesses they expect to call at the Show Cause hearing, set out a summary of the testimony expected to be elicited from such witnesses, and exchange documents each party expects to introduce at the Show Cause Hearing at least five business days prior to the Hearing.

Pursuant to C.R.C.P. 107, punitive and remedial sanctions for direct and indirect contempt remain available to address any disobedience by the parties to this Order.

Dated this 21st day of September, 2018.

BY THE COURT:



Honorable Denise K. Lynch
District Court Judge