DISTRICT COURT FOR THE DISTRICT OF GARFIELD COUNTY, COLORADO

There is a Proposed Settlement in a class action brought against TEP Rocky Mountain LLC on behalf of certain royalty owners.

You may be able to obtain benefits

A court authorized this notice. This is NOT a solicitation from an attorney.

A Proposed Settlement ("JPR 2025 Settlement") has been reached in a class action lawsuit against TEP Rocky Mountain LLC ("TEP"). The lawsuit is about the alleged underpayment of royalty payments made by TEP on the production of natural gas in Garfield and Rio Blanco Counties, Colorado. The Court has provisionally certified this case as a class action. This Notice is being sent to you because you may be a member of the JPR 2025 Class who is eligible to receive monetary benefits from the JPR 2025 Settlement. Please read this Notice carefully.

A SUMMARY OF YOUR RIGHTS AND CHOICES	
REMAIN A JPR 2025 CLASS MEMBER	To remain a member of the JPR 2025 Class, you do not need to take any action. JPR 2025 Class members will receive money from the JPR 2025 Settlement as outlined in Section 6 of this Notice. **Due Date: <u>Automatic Distribution</u>**
EXCLUDE YOURSELF FROM THE PROPOSED JPR 2025 SETTLEMENT	You can exclude yourself from (opt out of) the JPR 2025 Settlement and the Court's rulings. You will not share in the distribution of monetary relief. *See* Section 7 of this Notice. **Due Date: <u>Post-marked on or before October 2, 2025</u>**
OBJECT OR COMMENT ON THE PROPOSED JPR 2025 SETTLEMENT	If you are a JPR 2025 Class member, you can object to or comment on the JPR 2025 Settlement on your own or through your attorney. *See* Section 8 of this Notice. **Due Date: <u>Post-marked on or before November 21, 2025</u>**

1. Why You Received This Notice.

Records show that you have received a royalty payment from TEP between January 1, 2021, and December 31, 2024, from wells located in Garfield and Rio Blanco Counties, Colorado. This Notice is sent to you to inform you about the proposed settlement of a class action lawsuit, captioned *Jolley Potter Ranches Energy Co. LLC, individually and on behalf of all others similarly situated, Plaintiff v. TEP Rocky Mountain LLC, Defendant*, Case No. 2025-cv-30027, in the District Court for the District of Garfield County, Colorado (the "Lawsuit"), brought on behalf of certain royalty payees who received royalty payments from TEP for natural gas or natural gas liquids ("Gas") produced in Garfield and Rio Blanco Counties, Colorado and gathered on the Grand Valley Gathering System. The settlement has been preliminarily approved by the Court as being fair, reasonable and adequate. As explained below, you may be entitled to monetary benefits under the JPR 2025 Settlement if the JPR 2025 Settlement is finally approved by the Court.

You may be a member of the class of royalty payees defined below who are covered by a proposed settlement of the Lawsuit. In this Notice, the settlement is referred to as the "JPR 2025 Settlement" and the class of TEP Gas royalty payees covered by the Settlement is referred to as the "JPR 2025 Class." The JPR 2025 Class includes the following:

> All royalty owners under oil and gas leases (and their successors and assigns) who received royalty payments for one or more production months during the period January 1, 2021 through December 31, 2024 (the "Class Period") from non-federal oil and gas leases in Garfield and Rio Blanco Counties, Colorado, which, as of December 31, 2020, were owned in whole or part by TEP Rocky Mountain LLC, and whose production was gathered on the Grand Valley Gathering System, except for the following:
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> (1) TEP, WPX Energy Rocky Mountain, LLC, Williams Production RMT Company, LLC, Williams Production RMT Company, and any of their predecessors, successors, or affiliates;
>
> (2) NYSE or NASDAQ listed entities (together with their subsidiaries and affiliates) engaged in oil and gas exploration and production;
>
> (3) any person or entity to the extent that their interest is derived from the following leases: (A) that certain Oil and Gas Lease, dated July 20, 2005, with Mary Anne Bosely, et al, as lessors, whose memorandum is recorded at Reception No. 680846 in the records of the Clerk and Recorder of Garfield County, Colorado; (B) that certain Oil and Gas Lease, dated May 9, 2006, with Jonathon H. Wellendorf et ux, as lessors, whose memorandum is recorded at Reception No. 697889 in such records; (C) that certain Oil and Gas Lease, dated April 14, 2002, with Theo Ertl, as Trustee for the Jann Ertl Trust, under Trust dated January 25, 1964, as lessor, whose lease is recorded at Reception No. 610354 in such records; (D) that certain Memorandum of Oil and Gas Lease, dated November 1, 2011, with The Ranch at Parachute, LLC, as lessor, which is recorded at Reception No. 811051 in such records; (E) that certain Oil and Gas Lease, dated June 7, 2006, with Pavillion Land Development, LLC, as lessor, whose lease is recorded at Reception No. 701520 in such records; (F) that certain Oil and Gas Lease, dated April 27 1998, with NationsBank of Texas, N.A., Agent for the First Church of Christ, Scientist Agency #1221900 as lessor, whose lease is recorded at Reception No. 531029 in such records; and (G) that certain Oil and Gas Lease, dated December 5, 1997, with Colorado National Bank as Trustee of the Ann F. Dickerson Irrev. T/A Family Trust as lessor, whose lease is recorded at Reception No. 517758 in such records; and

(4) Caerus Operating LLC, Caerus Piceance LLC, Grand Valley Minerals LLC, QB Energy Operating, LLC, and any of their predecessors, successors, or affiliates.

The Court has appointed the Plaintiff in the Lawsuit as class representative for the JPR 2025 Class, and the Plaintiff's attorneys as counsel for the JPR 2025 Class ("Class Counsel").

This Notice outlines the terms of the JPR 2025 Settlement, who is a JPR 2025 Class member, your right to remain a member of the JPR 2025 Class, how JPR 2025 Settlement monies will be paid, how to comment on, or object to, the proposed JPR 2025 Settlement, and how to exclude yourself from the JPR 2025 Class. This Notice also explains that the Court will hold a Final Fairness Hearing to decide whether to approve the JPR 2025 Settlement on December 5, 2025, at 10:00 a.m., in the Courtroom of the District Court for the District of Garfield County, Colorado, 109 8th Street, Glenwood Springs, Colorado 81601.

2. What Is a Class Action?

A class action is a type of lawsuit in which a named plaintiff brings a suit on behalf of all of the members of a similarly-situated group to recover damages and other relief for the entire group, without the necessity of each member filing an individual lawsuit, incurring expenses or appearing as an individual plaintiff. Class actions are used by the courts when the claims raise issues of law or fact that are common, making it fair to bind all class members to the orders and judgments in the case, without the necessity of multiple lawsuits involving hearing the same claims over and over.

3. The Lawsuit.

Plaintiff, on behalf of itself and all other similarly situated royalty payees, filed the Lawsuit against TEP on March 5, 2025, in the District Court for the District of Garfield County, Colorado. The Lawsuit seeks monetary relief against TEP for a class of Gas royalty payees, except for certain payees who are excluded from the class. The Lawsuit has been pending before the Honorable Elise Victoria Myer, District Court Judge for the District of Garfield County, Colorado.

Plaintiff has alleged that, at various times from January 1, 2021, through December 31, 2024, TEP deducted or adjusted from royalties certain charges for costs that should not have been deducted (the "Disputed Amounts").

The following is a description of the claims alleged by Plaintiff (the "Class Claims"):

i. Unreasonable Gathering and Processing Deductions: The claims alleging that the deduction of gathering and processing costs from royalties paid to the JPR 2025 Class were unreasonable and excessive, either because of the nature of such contracts or the language of the JPR 2025 Class members' royalty instruments.

ii. Unreasonable Transportation Costs for Residue Gas: The claims alleging that the deduction of NWPL Transportation Costs from royalties paid to the JPR 2025 Class on residue gas sold from January 2021 through December 2024 was unreasonable, excessive, undisclosed, and unnecessary.

TEP has disputed all of the Class Claims. Class Counsel has extensively reviewed and analyzed information and documents regarding TEP's calculation of royalties paid to the members of the JPR 2025 Class. The Parties also have engaged in continuous negotiations over the resolution of the Class Claims. The JPR 2025 Settlement described in this Notice is the result of those negotiations.

Class Counsel and the Plaintiff believe that the issues before the Court are complex, and there is uncertainty as to the outcome of the Lawsuit should it proceed to trial. TEP denies all of the Class Claims and continues to deny any wrongdoing or liability to Plaintiff or any member of the JPR 2025 Class in connection with the Class Claims. TEP contends that the Class Claims have no merit, and that TEP would prevail at trial in the Lawsuit, including any necessary appeal.

Class Counsel and the Plaintiff have considered both the monetary benefits of the proposed JPR 2025 Settlement and the risks of proceeding if the JPR 2025 Settlement was rejected. Class Counsel and the Plaintiff have concluded that the proposed JPR 2025 Settlement provides members of the JPR 2025 Class with substantial monetary benefits, resolves disputed issues without prolonged litigation and expense, avoids the delay and expense of likely appeals, eliminates inherent risks of litigation, and is in the best interests of the JPR 2025 Class. Plaintiff and Class Counsel have concluded that the proposed JPR 2025 Settlement is fair, reasonable, and adequate.

4. THE SETTLEMENT.

TEP has agreed to pay the sum of $6,140,607.00 in order to settle the Lawsuit (the "Settlement Fund"), paid into an interest-bearing escrow account on May 30, 2025. The amount of the Settlement Fund that will be available for distribution to each member of the JPR 2025 Class (*i.e.*, the members who do not "opt out" of the JPR 2025 Class) will be determined by each member's proportionate share of the Disputed Amounts.

The method to be used to allocate the Settlement Fund to each member of the JPR 2025 Class is set out in the JPR 2025 Settlement, which is available to you on the website of Class Counsel, online at www.dwmk.com. The website of Class Counsel (www.dwmk.com) also will include a spreadsheet on which you can identify, by your TEP Owner Number, the gross amount allocated to you if the JPR 2025 Settlement is approved prior to reduction for attorneys' fees and expenses as approved by the Court.

The Court has preliminarily approved the JPR 2025 Settlement.

The expenses and attorneys' fees of Class Counsel, as approved by the Court, will be subtracted from the Settlement Fund to determine the net amount to be distributed to the JPR 2025 Class members. Class Counsel will request that the Court award attorneys' fees of one-third of the net Settlement Fund, which Class Counsel estimates will be approximately $2,000,000, plus interest accrued and accruing on that amount. Class Counsel will also seek to be reimbursed for out-of-pocket expenses Class Counsel has expended in prosecuting this action, and for additional expenses related to the notice and administration of the JPR 2025 Settlement (with such notice and administration expenses to be paid first out of the interest accrued on the JPR 2025 Settlement Fund in the Escrow Account) prior to the distribution to the JPR 2025 Class members. You may review a copy of Class Counsel's application for attorneys' fees and expenses on the website of Class Counsel (www.dwmk.com), which will contain the total amount of attorneys' fees and expenses requested by Class Counsel.

Upon final Court approval, all eligible members of the JPR 2025 Class who choose not to timely exclude themselves from the JPR 2025 Class (*i.e.*, who do not "opt out" of the JPR 2025 Class) will receive the monetary benefits of the JPR 2025 Settlement, and will be bound by the resulting Order in the Lawsuit, barring them from bringing any claims, demands, or causes of action arising from the Class Claims.

For more detailed information regarding the terms of the JPR 2025 Settlement, please read the JPR 2025 Settlement, which you may review online at www.dwmk.com or you may obtain a copy of the JPR 2025 Settlement by contacting Class Counsel as identified in Section 10 of this Notice.

5. THE COURT HAS CONDITIONALLY APPROVED THE SETTLEMENT.

The Court has provisionally determined that the JPR 2025 Settlement is fair, reasonable and adequate. The Court also has ordered that, for purposes of the proposed JPR 2025 Settlement only, this case may proceed as a class action and that the JPR 2025 Class shall be conditionally certified. This does not mean that Plaintiff would be successful if the case went to trial. The Court has made no final determination as to the merits of the Lawsuit. This Notice and the proposed JPR 2025 Settlement do not imply that TEP is liable to Plaintiff or to any member of the JPR 2025 Class for any of the Class Claims. Furthermore, if the JPR 2025 Settlement is not finally approved or is withdrawn at any time, the Parties have agreed that the conditional class certification shall be void and of no effect. There also are other circumstances under which the Parties may cancel the JPR 2025 Settlement. In any such event, the Lawsuit would proceed as though no class had been certified previously.

6. REMAINING A MEMBER OF THE JPR 2025 CLASS.

If you choose to remain a JPR 2025 Class member, you do not need to take any action whatsoever. Plaintiff and Class Counsel will represent your interests as a member of the JPR 2025 Class. You will not be charged for their services or any expenses other than the payment of attorneys' fees and expenses from the Settlement Fund that are approved by the Court. You may enter an appearance in the Lawsuit by yourself or through your attorney, at your own expense. You will be bound by the judgment and final disposition of the Lawsuit, and if eligible, you should receive a distribution check for your share of the Settlement Fund approximately 14 days after the Approval Event specified in the JPR 2025 Settlement Agreement. If you are a JPR 2025 Class member and the JPR 2025 Settlement is approved, you will be barred from bringing any further legal action against TEP, its affiliates, and its predecessors, arising from the Class Claims.

Should the JPR 2025 Settlement be approved, you will:

1) Receive your allocated share of the Settlement Fund (after payment of attorneys' fees and expenses approved by the Court); and

2) Release the Class Claims.

7. REQUEST TO BE EXCLUDED FROM THE JPR 2025 CLASS.

You may elect to be excluded from the JPR 2025 Class. If you elect to be excluded from the JPR 2025 Class, you will not be bound by any judgment, disposition, or settlement of the Lawsuit, nor will you receive any monetary benefits of the JPR 2025 Settlement. You will retain, and will be free to pursue, any claims you may have on your own behalf against TEP. TEP will be free to assert any defenses or counterclaims it may have against you.

To be excluded from the JPR 2025 Class, you must mail a written election to be excluded from the JPR 2025 Class to **Nathan A. Keever**, **Dufford Waldeck**, 744 Horizon Court, Suite 300, Grand Junction, Colorado 81506. The election must contain the full name, current address, telephone number, and signature of the person requesting exclusion. **The written election must be postmarked on or before October 2, 2025**. If your spouse or anyone else shares your interest in the royalty payments, they must also follow this procedure if they want to be excluded from the JPR 2025 Class.

Any potential JPR 2025 Class member may revoke that member's election to be excluded from the JPR 2025 Class. If you wish to revoke your request to be excluded from the JPR 2025 Class, you must mail a written signed statement that you request to revoke your election to be excluded from the JPR 2025 Class to **Nathan A. Keever, Dufford Waldeck**, **by November 7, 2025**. By revoking the election to be excluded, the potential JPR 2025 Class member becomes a JPR 2025 Class member with all rights of a JPR 2025 Class member at the time of the revocation.

Class Counsel will provide the Court a compilation of all potential class members who request to be excluded from the JPR 2025 Class.

8. RIGHT TO OBJECT TO THE JPR 2025 SETTLEMENT.

If you do not opt out of the JPR 2025 Class, you may object to the proposed JPR 2025 Settlement and/or to Class Counsel's application for attorneys' fees and expenses. **All objections shall be in writing and must be filed on or before November 21, 2025, which is 14 days before the date of the Final Fairness Hearing**, with the Court at the address of the District Court Clerk as it appears below. Your objection must set forth your full name, current address, and telephone number. In addition, your objection must include **a written statement of the position that you wish to assert.** Your objection also must be mailed to each of the following and postmarked on or before November 21, 2025:

Class Counsel	***Counsel for TEP***
Nathan A. Keever	Christopher A. Chrisman
DUFFORD WALDECK	Michelle R. Seares
744 Horizon Court, Suite 300	HOLLAND & HART LLP
Grand Junction, CO 81506	555 Seventeenth Street, Suite 3200
	Denver, CO 80201-8749

You or your attorney may appear at the Final Fairness Hearing, but are not required to do so. **In order to be heard at the Final Fairness Hearing you must file a Notice of Intent to Appear at the Final Fairness Hearing with the Court on or before November 28, 2025**. Any JPR 2025 Class member who does not file a notice of intent to appear at the Final Fairness Hearing may be prohibited from participating at that Hearing.

9. FINAL FAIRNESS HEARING.

A Final Fairness Hearing will be held on December 5, 2025, at 10:00 a.m. in the Courtroom of the District Court for the District of Garfield County, Colorado, located at 109 8th Street, Glenwood Springs, Colorado 81601. The purpose of the Hearing will be to finally determine whether the proposed JPR 2025 Settlement is fair, reasonable, and adequate, and whether a final judgment approving the JPR 2025 Settlement should be entered. The amount of attorneys' fees and expenses to be paid from the Settlement Fund to Class Counsel will also be considered at the Final Fairness Hearing. The Hearing may be continued or adjourned without further notice to the JPR 2025 Class.

If the JPR 2025 Settlement is approved, Plaintiff and each member of the JPR 2025 Class who has not properly and timely elected to be excluded from the JPR 2025 Class will be bound by the JPR 2025 Settlement. Additionally, the respective heirs, executors, administrators, representatives, agents, successors, and assigns of the JPR 2025 Class members will be deemed bound by the JPR 2025 Settlement as to that member's interests. Likewise, the JPR 2025 Settlement will bind TEP and its successors and assigns.

10. ATTORNEYS FOR THE PARTIES.

Attorneys for the Plaintiff and the JPR 2025 Class ("Class Counsel")

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ANY QUESTIONS CONCERNING THE SETTLEMENT SHOULD BE DIRECTED TO CLASS COUNSEL.

In any written correspondence with the attorneys or submissions to the Court, it is important that the envelope and any documents inside contain the following case name and identifying number:

Jolley Potter Ranches Energy Co. LLC v. TEP Rocky Mountain LLC
Civil Action No. 2025-cv-30027

In addition, you must include your full name, address, and telephone number.

11. IF YOU WANT TO INSPECT THE COURT FILE.

The complaints, pleadings, court orders, and other documents, including the JPR 2025 Settlement, are available online at www.dwmk.com. In addition, all pleadings are on file in this case and may be inspected at the following address:

District Court, Garfield County, Colorado
109 8th Street
Glenwood Springs, CO 81601

DO NOT WRITE OR TELEPHONE THE CLERK'S OFFICE if you have any questions about this Notice or the JPR 2025 Settlement. Please address any questions regarding this Notice or the proposed JPR 2025 Settlement in writing to Class Counsel, at the address identified in Section 10 of this Notice, or by telephone to Class Counsel, at the telephone number identified in Section 10 of this Notice.

DO NOT CALL THE COURT OR THE COURT CLERK