

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE SOUTHERN DISTRICT OF TEXAS
HOUSTON DIVISION**

In re CALIFORNIA RESOURCES CORPORATION, <i>et al.</i> , ¹ Reorganized Debtors.	X : : : : : : : : : : X	Chapter 11 Case No. 20-33568 (DRJ) Jointly Administered
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DECLARATION OF ELLEN E. MCGLYNN²

I, Ellen E. McGlynn, declare as follows:

1. I am a partner at the law firm Collier Walsh Nakazawa LLP, located at 1 World Trade Center Suite 1860, Long Beach, California and am admitted to practice law in the State of California.
2. Members of my firm have represented California Resources Corporation (“CRC”), a publicly traded company engaged in oil and gas exploration and production across California, its parents, former parents, subsidiary and sister companies over the past twenty three (23) years approximately, and are sufficiently familiar with CRC and its subsidiaries’ operations in California during the relevant time period identified by Ms. T[e]rika Sprewell.³
3. This declaration is submitted in support of the *Reorganized Debtors’ Omnibus Objection to Certain Proofs of Claim* [Docket No. 776] (the “Claims Objection”) and the *Reorganized Debtors’ Response to Objection of Ms. Trika Sprewell* (the “Response”), filed

¹ The Reorganized Debtors in these chapter 11 cases and the last four digits of their U.S. taxpayer identification numbers are California Resources Corporation (0947) and CRC Services, LLC (6989). The Reorganized Debtors’ corporate headquarters is located at 27200 Tourney Road, Suite 200, Santa Clarita, CA 91355.

² This declaration was previously filed at Docket Number 789 and is being refiled solely to attach the exhibits referenced in the declaration.

³ CRC has received correspondence and documentation from “Trika Sprewell” and “Terka Sprewell.” CRC believes that these individuals represent the same person and are hereinafter referred to as “Ms. Sprewell.”

contemporaneously herewith, in response to Ms. Sprewell's *Objection to the No Liability Claims Entered for California Resources* [Docket No. 782] (the "Sprewell Objection").

4. I make this declaration based on my professional understanding of the law and personal knowledge of the facts stated in this declaration, upon the information that I have obtained during the course and in the scope of our representation of CRC, and my review of information contained in the relevant pleadings related to the dispute at hand. I can competently testify to provide evidence to the Court on these matters as well as testify to the relevant facts cited herein if called as a witness in these proceedings.

Background of the Properties Identified By Ms. Sprewell

5. The subject property in which Ms. Sprewell claims to own an interest is located at 1752⁴ Henderson Avenue, Long Beach, California 90813 (the "Henderson Property"). (Sprewell Objection, pg. 2 ¶4.)

6. We verified from the County of Los Angeles Recorder's office that the Henderson Property was once owned by Ms. Sprewell's maternal grandmother or great grandmother, Mami Butler. (Ex. 1⁵ to this Declaration)

7. According to the Los Angeles County Registrar-Recorder/County Clerk, Mami Butler died on April 2, 1977. (*Id.*)

8. At the time of Ms. Butler's death, the Henderson Property was subject to a working interest held by Standard Oil Company of California, Western Operations, Inc. (Ex. 2) As is common in the petroleum industry, various oil operators served to manage assets held by

⁴ CRC notes that the Subsurface Oil and Gas Lease between Continental Northern Corporation and Ms. Mamie Butler (submitted as Doc. 782, page 22 of 68) identified 175~~6~~ Henderson [Avenue], in Long Beach, CA.

⁵ All exhibits referred to herein refer to true and correct copies of government recordings, pleadings, correspondence, and documents exchanged with pertinent parties in the course of our representation of CRC with regard to Ms. Sprewell's claims.

Standard Oil, and over time, those assets and managers would change hands. At the time of Ms. Butler's death, records reflect that Chevron U.S.A. Inc. was the operator of Tract 277, not CRC. (*Id.*, see also Sprewell Objection, pg. 2, ¶ 3) Prior to her death, Ms. Butler received two royalty checks, one for twelve dollars and twenty-two cents (\$12.22), the other for nine dollars and twenty-seven cents (\$9.27) from Chevron U.S.A. Inc. in February of 1977. (*Id.*)

9. Following Ms. Butler's death, Itaska Jones, a person believed to be Ms. Butler's daughter, was appointed as Executor of Ms. Butler's estate. (Ex. 1, Ex. 3)

10. On or about November 2, 1979 Itaska Jones Quitclaimed Ms. Butler's interest in the Henderson Avenue Property to Ms. Janice Clayton Jones. (Ex. 3)

11. By Quitclaiming the property to Ms. Janice Clayton Jones, the Butler Estate did not affirmatively retain the mineral rights in the Henderson Property.

12. California law requires an affirmative retention of mineral rights within the four corners of a quitclaim or grant deed in order to maintain those rights following a real property transfer. (Cal. Civ. Code §§1066, 1645, 1647-1648, *MacFarland v. Walker* (1919) 40 Cal. App. 508, 511-514)

13. As a result of the Quitclaim and by operation of California law, Ms. Butler, the Butler Estate, and any of its heirs, and assigns no longer retained any interest in the mineral rights associated with the Henderson Property nor the lease agreement with – at the time – Chevron Corporation.

14. On November 29, 1979, Ms. Janice Clayton Jones transferred her interest in the Henderson Property to Alfred and Jessie Coleman via Grant Deed. (Ex. 4) The Grant Deed did not affirmatively retain mineral rights associated with the Henderson Property. This recorded transfer was the first to establish a clear chain of title outside the Bulter family. This

transfer was publicly recorded with the Los Angeles County Recorder's office on August 1, 1980. (*Id.*)

15. At various times throughout litigation, administrative actions, and demands (more fully described in paragraphs 18 through 36), Ms. Sprewell claimed that the above-referenced transfers were improper, fraudulent, or unlawful. CRC found no evidence to support that claim. Ms. Sprewell produced no evidence to support her claim.

16. On May 4, 1981, the Colemans transferred the Henderson Property via Grant Deed to Enrique and Cecilia Flores, Jesus and Juana Flores, and Sergio and Sonia Flores. On January 28, 1988, Enrique Flores and Cecelia Flores transferred and/or sold their interest in the Henderson Property to Jesus and Juana Flores as husband and wife via Quitclaim Deed. On April 13, 1990, Michael Stewart Quitclaimed the Henderson Property to Sonia (Flores) Stewart, who then contemporaneously filed a Grant Deed transferring any ownership interest back to Jesus and Juana Flores as joint tenants. The Henderson Property was transferred between the Flores' on two additional occasions, December 6, 1991, and March 31, 2003, respectively. On February 11, 2016, Juana Flores transferred her interest in the property to herself and Enrique Flores as joint tenants, and on February 25, 2020, Enrique Flores Quitclaimed the Henderson Property to Juana Flores. (Ex. 5)

17. As of our last inquiry on or about May 2020, the Henderson Property was held by Juana Flores. (*Id.*; See also, Ex. H-1 to Sprewell Objection pgs. 60-61)

Actions Commenced Regarding the Henderson Property

I. Long Beach Civil Court Action

18. On May 22, 2017, Ms. Sprewell initiated a civil suit against Tidelands Oil Production Company, a contractor that operates CRC's West Wilmington Field for the City of

Long Beach, California, entitled *Mamie Butler Estate v. Tidelands Oil Production Company, Los Angeles Superior Court*, Case No. NC061210 (the “Civil Action”). (Ex. 6) Ms. Butler asserted a claim for breach of contract, and a purported claim for violation of state law governing duties of royalty owners. Damages claimed at that time were \$750,000,000.00.

19. CRC demurred to the complaint. On November 9, 2017, the court granted CRC’s demurrer. (Ex. 7)

20. The court allowed Ms. Sprewell to amend her complaint provided she retained qualified counsel because her further representation of the “Butler Estate” constituted practicing law without a license and was subject to criminal enforcement. On November 30, 2017, Ms. Sprewell dismissed her case. (Ex. 8)

II. Los Angeles Probate Court Action

21. On December 20, 2016, Ms. Sprewell petitioned the Los Angeles Probate Court to conduct a Final Distribution and Administration of the Butler Estate in the case entitled *In re Butler, Mamie – Decedent, Los Angeles Superior Court*, Case No. 16STPB07090 (the “Probate Action”).

22. On September 24, 2018, after terminating the Civil Action, Ms. Sprewell filed a Motion for a Preliminary Injunction seeking the Probate Court’s intervention. The claims, to “enjoin ... underpayment of royalties” purported to be owed by CRC, were substantially similar to those made in the Civil Action. (Ex. 9)

23. On October 29, 2018, my Partner Joseph A. Walsh II specially appeared on behalf of CRC to request a continuance of the hearing in order to be served with and respond to Ms. Sprewell’s Motion for a Preliminary Injunction. Mr. Walsh advised the Court that the

subject of the Motion was subject to re judicata, collateral estoppel, statute of limitation issues, jurisdictional issues and others. (Ex. 10)

24. On or after a March 13, 2019 status conference, the Probate Court ruled that it did not have jurisdiction over Ms. Sprewell's claims against CRC.

25. On October 29, 2019, Ms. Sprewell filed a request to terminate the Probate Action.

III. California State Controller's Office

26. On January 15, 2019, the Office of the California State Controller Betty T. Yee's Office contacted CRC with regard to Ms. Sprewell's renewed and/or continued and/or repetitive claims for royalty payments she asserted were due and owing. (Ex. 11) The request was forwarded to my partner Joseph A. Walsh II on January 23, 2019.

27. On February 4, 2019, I advised the State Controller's Office that Chevron U.S.A. Inc. appeared to be the operator at the time of Ms. Butler's death, not CRC as discussed in paragraphs 8, 13 above. (*Id.*) We further advised that the Henderson Property was transferred out of the Butler family in 1980 as explained in paragraphs 8-14, 16-17 above, and the family retained no mineral rights in any of the transfers. (*Id.*) We further advised that the Flores family was the present owners of the Henderson Property and requested her assistance as a citizen advocate to communicate to Ms. Sprewell that she has no direct claim against CRC, that the Butler Estate has no claim against CRC, and that any claims that they could have had at the time of her grandmother's 1977 death, and resulting transfers, have long since expired under that statute of limitations. (*Id.*)

28. On February 13, 2019, a representative from the State Controller's Office advised me that she had informed Ms. Sprewell that the Butler Estate did not reserve mineral

rights in the Henderson Property and further advised Ms. Sprewell that they were no longer able to assist given her recent litigation on the same matter. (Ex. 12)

IV. Direct Demand to CRC

29. On February 7, 2020, Ms. Sprewell renewed her claims against CRC and demanded royalty payments. (Ex. 13)

30. This time, Ms. Sprewell claimed to have deeded the Butler Estate rights to herself by way of a Quitclaim/Personal Representatives Deed and Grant Deed on February 28, 2019 and March 28, 2019. (See also, Sprewell Objection pg. 1, ¶¶ 5-7, pg. 2, ¶¶ 1, 4, pgs. 48-49)

31. On July 6, 2020, following thorough research into Ms. Sprewell's renewed claim, my office responded to Ms. Sprewell's demand requesting Ms. Sprewell Cease & Desist from further claims against CRC over the Henderson Property. (Ex. 14) In doing so, we advised Ms. Sprewell that there was no evidence that she maintained a right in the Henderson Property. We also advised Ms. Sprewell that the purported Quitclaim/Personal Representatives Deed and Grant Deed appeared to be the product of an erroneous, ineffective, and unconsummated transfer that we concluded was – at best – an attempt to perpetrate a fraud against CRC in violation of California Penal Code provisions. (See also, Sprewell Objection pgs. 50-51)

32. My office received no response to its Cease & Desist.

V. Chapter 11 Inquiry

33. On or about September 28, 2020, Kyle Wittenbraker, an associate attorney at Daniels & Tredennick PLLC, 636 Woodway Dr., Suite 700, Houston, TX 77057, contacted CRC on behalf of Ms. Sprewell with regard to her claims against the Henderson Property (the "Chapter 11 Inquiry"). (Ex. 15)

34. On the same day, I spoke with Mr. Wittenbraker and advised him of the prior litigation claims, demands, and Controller's Office claim made by Ms. Sprewell for royalty payments from CRC. We advised Mr. Wittenbraker that the claims appeared to lack merit, lacked standing, were far beyond the statute of limitations, and possibly relied on fraudulent documents.

35. Mr. Wittenbraker advised that he believed that the Chapter 11 Inquiry was an attempt to cloud title to the Henderson Property and would attempt to "defuse her." (*Id.*)

36. My office received no response or request for additional action by Ms. Sprewell or her representatives.

VI. Chapter 11 Proofs of Claim

37. It is my understanding that during these chapter 11 cases, Ms. Sprewell recycled the same doubtful and disputed claims she has raised no fewer than five (5) times before by filing proof of claim 10015 on July 22, 2020 and proof of claim 4 on July 30, 2020 (together, the "Chapter 11 Proofs of Claim"). After Ms. Sprewell filed the Chapter 11 Proofs of Claim, it is our understanding that the Debtors and the Debtors' advisors during the chapter 11 cases reached out to Ms. Sprewell regarding a consensual resolution but were unable to reach one.

38. Based on the above stated facts and a further review of the Debtors' books and records, on June 21, 2021, the Reorganized Debtors filed the Claims Objection. The Claims Objection objected to, among others, the Chapter 11 Proofs of Claim.

39. On July 7, 2021, Ms. Sprewell responded to the Claims Objection by filing the Sprewell Objection. The Objection alleges the same doubtful and disputed claims. I submit this declaration in support of the Claims Objection and the Response.

Ms. Sprewell's Claims Against CRC Lack Merit

40. Ms. Sprewell's intention, as understood by CRC, is to obtain mineral rights royalties from the Henderson Property in which the Mamie Butler, the Butler Estate, its heirs and assigns – including Ms. Sprewell – have no rights.

41. In contrast to her Objection, Ms. Sprewell has produced no evidence that she possesses valid royalty owner rights over the Henderson Property and no evidence that she is due royalty payments from CRC in any amount, let alone an amount of \$33,609,581,898.93. (Sprewell Objection, pg. 1, ¶ 3, pg. 2, ¶¶2-3, 7-8)

42. Based on the above, Ms. Sprewell does not have a valid claim against CRC for mineral rights in any jurisdiction known to the declarant.

I declare under penalty of perjury under the laws of the United States of America and the State of California that the foregoing is true and correct.

Executed July 27th, 2021, in Long Beach, California.



Ellen E. McGlynn