

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

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| <p>In re:</p> <p>CHESAPEAKE ENERGY CORPORATION, <i>et al.</i>,¹</p> <p style="text-align: center;">Reorganized Debtors.</p> | <p>§</p> <p>§</p> <p>§</p> <p>§</p> <p>§</p> <p>§</p> <p>§</p> | <p>Chapter 11</p> <p>Case No. 20-33233 (DRJ)</p> <p>(Jointly Administered)</p> |
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**STIPULATION AND AGREED ORDER REGARDING
MANSFIELD INDEPENDENT SCHOOL DISTRICT’S PROOF OF CLAIM**

The above-captioned reorganized debtors (before the Effective Date² of their Plan, the “Debtors,” and after the Effective Date of their Plan, the “Reorganized Debtors”) and Mansfield Independent School District (“MISD,” and together with the Debtors or Reorganized Debtors, as applicable, the “Parties”) hereby enter into this stipulation and agreed order (this “Stipulation and Agreed Order”) as follows:

WHEREAS, between April 2006 and December 2011, MISD executed nine (9) oil, gas, and mineral leases with Chesapeake Exploration Limited Partnership, predecessor in interest to Chesapeake Exploration, L.L.C. (“CELLC”) (the “Leases”).

WHEREAS, on July 29, 2016, MISD filed Plaintiffs Original Petition (as amended or supplemented, the “Petition”) against Debtors CELLC and Chesapeake Operating, L.L.C.

¹ A complete list of each of the Reorganized Debtors in these chapter 11 cases may be obtained on the website of the Reorganized Debtors’ claims and noticing agent at <https://dm.epiq11.com/chesapeake>. The location of Reorganized Debtor Chesapeake Energy Corporation’s principal place of business and the Reorganized Debtors’ service address in these chapter 11 cases is 6100 North Western Avenue, Oklahoma City, Oklahoma 73118.

² Capitalized terms used but not otherwise defined herein have the meanings ascribed to them in the *Fifth Amended Joint Chapter 11 Plan of Reorganization of Chesapeake Energy Corporation and Its Debtor Affiliates* [Docket No. 2833] (the “Plan”).

(“COLLC,” and together with CELLC, “Chesapeake”) in the District Court of Tarrant County, Texas, 141st Judicial District, in an action styled *Mansfield Independent School District v. Chesapeake Exploration, L.L.C., et al.*, Cause No. 141-286764-16, seeking damages related to claims of breach of contract, common law fraud, fraud by nondisclosure, sham transactions and fraudulent sales, exemplary damages, and attorneys’ fees based on, among other things, Chesapeake’s alleged underpayment of royalties and breach of marketing duties under the Leases at issue (the “Lawsuit”);

WHEREAS, on April 8, 2015, the Texas Multidistrict Litigation Panel granted Chesapeake’s *Joint Motion for Transfer and Request for Stay*, thereby creating a case in the District Court of Tarrant County, Texas, 48th Judicial District styled *In re Chesapeake Barnett Royalty Litigation*, Cause No. 15-0113, MDL No. 048-000000-15 (the “MDL Case”) and joining the Lawsuit to the MDL Case;

WHEREAS, on February 14, 2019, the MDL Case was transferred to the District Court of Tarrant County, Texas, 96th Judicial District and styled *In re Chesapeake Barnett Royalty Litigation*, Cause No. 15-0113, MDL No. 096-000003-15;

WHEREAS, on June 28, 2020, the Debtors filed voluntary petitions for relief under title 11 of the United States Code (the “Bankruptcy Code”) in the United States Bankruptcy Court for the Southern District of Texas (the “Bankruptcy Court”);

WHEREAS, on August 13, 2020, the Bankruptcy Court entered the *Order (I) Setting Bar Dates for Filing Proofs of Claim, Including Requests for Payment Under Section 503(b)(9), (II) Establishing Amended Schedules Bar Date and Rejection Damages Bar Date, (III) Approving*

the Form of and Manner for Filing Proofs of Claim, Including Section 503(b)(9) Requests, (IV) Approving Notice of Bar Dates, and (V) Granting Related Relief [Docket No. 787];

WHEREAS, on October 29, 2020, MISD timely filed Claim No. 3752 against Debtor CELLC in the amount of \$5,290,787 (the “MISD Claim”), asserting various secured and unsecured amounts relating to the Leases and the Lawsuit;³

WHEREAS, on January 16, 2021, the Bankruptcy Court entered the *Order Confirming Fifth Amended Joint Chapter 11 Plan of Reorganization of Chesapeake Energy Corporation and Its Debtor Affiliates* [Docket No. 2915] confirming the Plan (the “Confirmation Order”);

WHEREAS, by way of that certain *Notice of Nonsuit Without Prejudice*, dated March 31, 2021, and that certain *Order of Nonsuit Without Prejudice*, dated April 1, 2021, MISD nonsuited its claims against Chesapeake in the Lawsuit and MDL Case without prejudice.

WHEREAS, MISD and the Reorganized Debtors have consensually agreed, after good faith, arm’s-length negotiations, to resolve the MISD Claim on the terms set forth in the Confidential Settlement and Release Agreement attached hereto as **Exhibit A** (the “Settlement Agreement”) and this Stipulation and Agreed Order.

NOW, THEREFORE, IT IS STIPULATED AND AGREED as follows:

1. The Settlement Agreement is hereby approved.
2. The MISD Claim is hereby reduced and Allowed as a Class 7 General Unsecured Claim in the amount of [REDACTED] against Debtor CELLC.

³ MISD originally filed (a) Proof of Claim No. 155 against CELLC (a/k/a Claim No. 3572, Schedule No. 239287180 – see dm.epiq11.com/case/chesapeake/claims) (last visited September 1, 2021)) and (b) Proof of Claim No. 156 against COLLC (a/k/a Claim No. 3573 – see dm.epiq11.com/case/chesapeake/claims) (last visited September 1, 2021)) in the Bankruptcy Matter, each asserting various secured and unsecured claims relating to the Leases and the Lawsuit. Proof of Claim No. 156 has already been expunged as of the date of this Stipulation and Agreed Order.

3. Following the entry of this Stipulation and Agreed Order, and to the extent necessary, MISD will take all other steps reasonably necessary to finalize the Settlement Agreement, including removal of the UCC1 (as defined in the Settlement Agreement) by filing an oath of full payment with the Oklahoma Secretary of State's office.

4. Upon entry of this Stipulation and Agreed Order, Epiq Corporate Restructuring, LLC is hereby authorized and directed to amend or remove the MISD Claim from the Official Claims Register without prejudice to the rights described and reserved in this Stipulation and Agreed Order.

5. The Parties hereby agree that each Party shall bear its own costs and attorney's fees or other expenses incurred related to the Settlement Agreement.

6. Nothing in this Stipulation and Agreed Order shall be interpreted to impair in any way the rights, claims, or defenses reserved under the Plan with regard to or on behalf of the Debtors, the Reorganized Debtors, and MISD, except to the extent inconsistent with the terms of the Stipulation and Agreed Order.

IT IS SO ORDERED.

Signed: _____, 2021
Houston, Texas

DAVID R. JONES
UNITED STATES BANKRUPTCY JUDGE

STIPULATED AND AGREED TO THIS 14th DAY OF SEPTEMBER, 2021:

By: /s/ Matthew D. Cavanaugh

JACKSON WALKER L.L.P.

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Counsel for MISD

Exhibit A

Confidential Settlement and Release Agreement

CONFIDENTIAL SETTLEMENT AND RELEASE AGREEMENT

I.
INTRODUCTION

1.1 This Confidential Settlement and Release Agreement (“Agreement”) is made and entered into by and between Chesapeake Exploration, L.L.C. (“CELLC”) and Chesapeake Operating, L.L.C. (“COLLC”) (together, “Chesapeake”), on one hand, and Mansfield Independent School District (“MISD”), on the other hand. This Agreement shall be effective as of the Effective Date defined below. Chesapeake and MISD may be referred to collectively as the “Parties” or individually as a “Party.”

II.
DEFINITIONS AND RECITALS

2.1 On July 29, 2016, MISD filed its Original Petition (which has subsequently been amended and/or supplemented) against Chesapeake and others in Cause No. 141-286764-16; *Mansfield Independent School District v. Chesapeake Exploration, L.L.C., et al.*; in the 141st Judicial District Court of Tarrant County, Texas (“Lawsuit”), seeking damages related to claims of breach of contract, common law fraud, fraud by nondisclosure, sham transactions and fraudulent sales, exemplary damages, and attorneys’ fees based on, among other things, Chesapeake’s alleged underpayment of royalties and breach of marketing duties under the Leases (defined below).

2.2 On April 8, 2015, the Texas Multidistrict Litigation Panel granted Chesapeake’s Joint Motion for Transfer and Request for Stay, thereby creating a case in the 48th District Court of Tarrant County, Texas, styled *In re Chesapeake Barnett Royalty Litigation*, Cause No. 15-0113, MDL No. 048-000000-15 (“MDL Case”), thereby joining the Lawsuit to the MDL Case.

2.3 On February 14, 2019, the MDL Case was transferred to the 96th District Court of Tarrant County, Texas, and re-styled as *In re Chesapeake Barnett Royalty Litigation*, Cause No. 15-0113, MDL No. 096-000003-15, and the Lawsuit was given a pretrial style of Cause No. 096-286764-16; *Mansfield Independent School District v. Chesapeake Exploration, L.L.C., et al.*; in the 96th Judicial District Court of Tarrant County, Texas.

2.4 On June 28, 2020, Chesapeake filed voluntary petitions for relief under title 11 of the United States Code in the United States Bankruptcy Court for the Southern

District of Texas (“*Bankruptcy Court*”), styled Case No. 20-33233; *In re: Chesapeake Energy Corporation, et al.* (“*Bankruptcy Matter*”).

2.5 On August 13, 2020, the Bankruptcy Court entered the Order (I) Setting Bar Dates For Filing Proofs of Claim, Including Requests For Payment Under Section 503(b)(9), (II) Establishing Amended Schedules Bar Date and Rejection Damages Bar Date, (III) Approving the Form of and Manner For Filing Proofs of Claim, Including Section 503(b)(9) Requests, (IV) Approving Notice of Bar Dates, and (V) Granting Related Relief [Docket No. 787].

2.6 On October 29, 2020, MISD filed Proof of Claim No. 155 against CELLC (a/k/a Claim # 3572, Schedule # 239287180 – see dm.epiq11.com/case/chesapeake/claims) (last visited September 1, 2021)) and Proof of Claim No. 156 against COLLC (a/k/a Claim # 3573 – see dm.epiq11.com/case/chesapeake/claims (last visited September 1, 2021)) in the Bankruptcy Matter (together, the “POCs”), each asserting various secured and unsecured claims relating to the Leases and the Lawsuit.¹

2.7 On January 16, 2021, the Bankruptcy Court entered the Order Confirming Fifth Amended Joint Chapter 11 Plan of Reorganization of Chesapeake Energy Corporation and Its Debtor Affiliates (the “*Reorganized Debtors*”) [Docket No. 2915] confirming the Plan.

2.8 By way of that certain Notice of Nonsuit Without Prejudice, dated March 31, 2021, and that certain Order of Nonsuit Without Prejudice, dated April 1, 2021, MISD nonsuited its claims against Chesapeake in the Lawsuit and MDL Case without prejudice.

2.9 “*Representatives*” means a Party’s agents, employees, officers, directors, attorneys, shareholders, legal representatives, partners, principals, parent companies, subsidiaries, affiliates, related business entities, successors, assigns, and any other person or entity acting by, through, or on behalf of such Party, whether named herein or not.

2.10 “*TOTAL*” means TOTAL E&P USA, Inc., TOTAL E&P USA Barnett, LLC, and their respective Representatives.

2.11 “*Larchmont*” means Larchmont Resources, L.L.C. and its Representatives.

2.12 “*Jamestown*” means Jamestown Resources, L.L.C. and its Representatives.

¹ Proof of Claim No. 156 against COLLC (a/k/a Claim # 3573 – see dm.epiq11.com/case/chesapeake/claims (last visited September 1, 2021)) has already been expunged as of the date of this Agreement.

2.13 “Dorchester” means Dorchester Resources, L.P. and its Representatives.

2.14 The “Leases” means those certain Oil, Gas and Mineral Leases more particularly described on **Exhibit A** hereto.

2.15 The “UCCI” means that certain UCC Financing Statement (Form UCC1) filed by MISD with the Oklahoma Secretary of State’s office.

2.16 “Effective Date” means the later of (i) full and final execution of this Agreement by all Parties and (ii) entry of a final, non-appealable order by the Bankruptcy Court approving this Agreement.

2.17 “Settled Matters” means any and all claims, causes of action, damages, and defenses of any nature and sort, whether in contract or tort, known or unknown, fixed or contingent, liquidated or unliquidated, and whether originating under the Leases, statute, at common law, in equity, or otherwise, that the Parties had or may currently have against each other, related to or arising out of the Leases and that were plead or could have been plead in the Lawsuit, MDL Case, POCs, or Bankruptcy Matter, including, but not limited to, claims or damages related to breach of the Leases, breach of any express or implied covenants arising out of the Leases, royalty underpayment or non-payment, fraud of any kind, exemplary damages, an accounting, UCC1 rights, and attorneys’ fees. “Settled Matters” does not include any claims, causes of action, demands, or damages (a) accruing on or after the Effective Date, (b) MISD may have against TOTAL, Larchmont, Jamestown, or Dorchester or (c) arising out of this Agreement.

III. AGREEMENTS

In consideration of the promises, covenants, and representations made herein, and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged and confessed, and after good-faith, arms’-length negotiations, the Parties agree to fully and finally resolve the Settled Matters on the following terms:

3.1 Within five (5) days of the final execution of this Agreement by all Parties, the Parties shall execute and file in the Bankruptcy Matter a Stipulation and Agreed Order Regarding MISD’s POCs (“Agreed Stipulation”) in the form attached hereto as **Exhibit B**, in which the Parties will stipulate the following related to MISD’s POCs:

- a. All of MISD’s claims and associated damages related to the Lawsuit and the MDL Case, as set forth in the POCs, are unsecured claims.

- b. MISD's total stipulated unsecured claims equal [REDACTED] ("Stipulated Claim").
- c. Reorganized Debtors agree to allow the Stipulated Claim as a general unsecured claim and will not dispute the Stipulated Claim during the claims administration process in the Bankruptcy Matter.

3.2 The Parties will submit this Agreement and the Agreed Stipulation to the Court in the Bankruptcy Matter for approval and administration as an unsecured claim.

3.3 Following the execution and administration of the Agreed Stipulation, and to the extent necessary, MISD will take all other steps reasonably necessary to finalize the Settled Matters and POCs, including removal of the UCC1 by filing an oath of full payment with the Oklahoma Secretary of State's office.

3.4 The Parties hereby agree that each Party shall bear its own costs and attorney's fees or other expenses incurred related to the Settled Matters and the fulfillment of this Agreement.

IV. **RELEASES**

4.1 As of the Effective Date, MISD, on behalf of itself and its Representatives, waives, releases, and forever discharges Chesapeake and its Representatives from the Settled Matters. Nothing contained herein, however, shall serve to release, acquit, or discharge Chesapeake from the obligations contained in this Agreement or MISD's claims against TOTAL, Dorchester, Larchmont, or Jamestown.

4.2 As of the Effective Date, Chesapeake, on behalf of itself and its Representatives, waives, releases, and forever discharges MISD and its Representatives from the Settled Matters. Nothing contained herein, however, shall serve to release, acquit, or discharge MISD from the obligations contained in this Agreement.

4.3 The Parties acknowledge, represent, warrant, and agree that the releases stated above are general and unconditional and include any and all claims, causes of action, and damages related to the Settled Matters that exist as of the Effective Date, including those that are not known or not suspected to exist. The releases in this Agreement will forever be a complete bar to the commencement or prosecution of any action or proceeding by the Parties regarding the Settled Matters.

4.4 The Parties recognize that the facts may not be as they believe, and accordingly assume the risk of any mistake of fact, whether through ignorance, oversight, error, negligence or otherwise. If it should be subsequently discovered that any

understanding of the facts or law was incorrect, no Party hereto shall be entitled to set aside the release and waivers contained in this Agreement.

V.

WARRANTIES AND REPRESENTATIONS

5.1 Each of the Parties represents and warrants that its respective signatory below: (1) has read and fully understands this Agreement; (2) is duly authorized to fully and completely resolve all disputes between the Parties that are the subject of this Agreement; and (3) is fully authorized to sign this Agreement and to bind to the terms and conditions contained in this Agreement. Each of the Parties further represents and warrants that all corporate or other approvals, if any, necessary to enter into this Agreement have been obtained.

5.2 This Agreement is not and shall never be construed as an admission of liability, fault, or wrongdoing by any of the Parties, each of which specifically deny any liability, fault, and wrongdoing, but instead reflects a settlement and accord and satisfaction of contested, doubtful, and disputed matters.

5.3 THE PARTIES WARRANT AND ACKNOWLEDGE THAT EACH OF THEM HAS BEEN GIVEN A REASONABLE PERIOD OF TIME TO CONSIDER THIS AGREEMENT AND HAS THOROUGHLY REVIEWED IT AND AGREED TO ITS TERMS WITH THE ADVICE AND COUNSEL OF THEIR RESPECTIVE ATTORNEYS. THE PARTIES ALSO ACKNOWLEDGE THE CONTESTED NATURE OF THE MATTERS IN DISPUTE. THE PARTIES REPRESENT AND WARRANT: (1) THAT IN EXECUTING THIS AGREEMENT THEY DID NOT RELY AND HAVE NOT RELIED UPON ANY REPRESENTATION OR STATEMENT MADE BY ANOTHER PARTY OR ITS AGENTS, REPRESENTATIVES, OR ATTORNEYS WITH REGARD TO THE SUBJECT MATTER OR EFFECT OF THIS AGREEMENT, INCLUDING ANY FACTS OR ISSUES WHICH MIGHT BE DEEMED MATERIAL TO THE DECISION TO ENTER INTO THIS AGREEMENT, OTHER THAN AS SPECIFICALLY STATED IN THIS AGREEMENT; (2) THAT THIS AGREEMENT IS NOT THE RESULT OF ANY FRAUD, DURESS, OR UNDUE INFLUENCE EXERCISED BY ANY OTHER PARTY TO THIS AGREEMENT; AND (3) THAT THEY ARE ENTERING INTO THIS AGREEMENT VOLUNTARILY.

5.4 NONE OF THE PARTIES ARE RELYING UPON A LEGAL DUTY, IF ONE EXISTS, ON THE PART OF ANY OTHER PARTY (OR SUCH OTHER PARTY'S EMPLOYEES, AGENTS, REPRESENTATIVES OR ATTORNEYS) TO DISCLOSE ANY INFORMATION IN CONNECTION WITH THE EXECUTION OF THIS AGREEMENT OR ITS PREPARATION; IT BEING EXPRESSLY UNDERSTOOD THAT NO PARTY SHALL EVER ASSERT ANY FAILURE TO

DISCLOSE INFORMATION ON THE PART OF ANOTHER PARTY AS A GROUND FOR CHALLENGING THIS AGREEMENT.

5.5 Each Party has relied upon its own (and its attorneys') investigation and analysis of the facts and not on any statement or representation made by any other Party to this Agreement in choosing to enter into this Agreement and the transactions contemplated herein.

5.6 The Parties agree that they shall take such further acts, and sign such further documents, as another Party may reasonably request to accomplish, fully and completely, the agreements of the Parties herein.

5.7 Save and except for Chesapeake's sale and conveyance of all of its interest in the Leases to TOTAL or its related entities and/or to Dorchester, Larchmont, and Jamestown, the Parties represent and warrant that no Party has sold, pledged, conveyed, assigned, or otherwise transferred any part of any claim, right, interest, or cause of action they may have against the other arising out of the Lawsuit, the MDL Case, the Leases, the Settled Matters, the POCs, or the subject matter or terms of this Agreement.

5.8 The Parties represent, warrant, and agree that the terms of this Agreement and the Parties' oral and written settlement communications and negotiations, including negotiations pertaining to this Agreement SHALL BE KEPT STRICTLY CONFIDENTIAL. Notwithstanding the foregoing, the Parties may disclose certain terms contained herein to the extent necessary to obtain approval of this Agreement by the Court in the Bankruptcy Matter. The Parties agree to take all reasonable efforts to maintain the confidentiality of the terms of the Agreement as well as the negotiations related thereto, except as required by law, statute, ordinance, or any court order, and except as may be reasonably necessary to their personal accountants, advisors, and/or attorneys. Any such disclosure shall be accompanied by and made subject to express instructions to the person receiving the information that the disclosure is absolutely confidential and may not be communicated further.

VI.

MISCELLANEOUS PROVISIONS

6.1 The terms of this Agreement are contractual in nature and not merely recitals, and the covenants, releases, and considerations transferred and agreed to herein are intended to compromise disputed claims and avoid the uncertainties, expense, and risk of litigating all claims and defenses. It is intended that this Agreement shall be comprehensive in nature and shall be liberally construed to effect its purpose as expressed herein.

6.2 This Agreement constitutes the entire agreement among the Parties hereto relating to the subject matter hereof. This Agreement supersedes any prior or contemporaneous agreement, understanding, or undertaking, written or oral, by and between the Parties regarding such subject matter. No prior draft of this Agreement, nor any negotiations or proceedings in pursuance of this Agreement shall be offered or received as evidence concerning the interpretation or construction of this Agreement.

6.3 This Agreement may not be modified, amended, waived, or terminated except in writing and duly executed by an authorized representative of the Party against whom such modification, amendment, waiver, or termination is sought to be enforced.

6.4 The Parties agree that, in any suit or action to enforce the terms of this Agreement, the prevailing Party shall recover all costs and expenses, including reasonable attorneys' fees and court costs.

6.5 This Agreement may be executed in one or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

6.6 This Agreement and all of its provisions shall be construed in accordance with and governed by the laws of the State of Texas. The language used in this Agreement will be deemed to be the language chosen by the Parties to express their mutual intent, and no rule of strict construction shall be applied against any Party, as all Parties or their attorneys participated in the preparation of this Agreement. Therefore, this Agreement shall be construed as having been negotiated and drafted jointly by the Parties and is not to be construed against or in favor of any Party hereto. Should any lawsuit arise as to this Agreement, the Parties agree that such lawsuit shall be filed in the state civil district courts of Tarrant County, Texas.

6.7 If any provision of this Agreement is held to be illegal, invalid, or unenforceable under present or future laws, such provision shall be fully severable, and this Agreement shall be construed and enforced as if such illegal, invalid, or unenforceable provision is not a part thereof. The remaining provisions of this Agreement shall remain in full force and effect. In lieu of any illegal, invalid, or unenforceable provision therein, there shall be added automatically as a part of this Agreement a provision as similar in its terms to such illegal, invalid, or unenforceable provision as may be possible and be legal, valid, and enforceable.

6.8 All of the terms and conditions contained in this Agreement shall be binding upon and inure to the benefit of each Party, its respective legal and/or personal representatives, directors, officers, partners, employees, affiliates, shareholders, heirs, subsidiaries, parent companies, predecessors, successors, insurers, agents and assigns.

6.9 The waiver of any breach of any provision of the Agreement shall not constitute or operate as a waiver of any breach of any other provision hereof, nor shall failure to enforce any provision hereof operate as waiver at such time or at any future time or performance of any other provision hereof.

6.10 Wherever in this Agreement the context so requires, reference to the neuter, masculine, or feminine shall be deemed to include each of the other, and reference to either the singular or the plural shall be deemed to include the other. Headings, captions, and titles are for convenience only and shall not limit or restrict the interpretation or the construction of the passages to which such headings, captions, or title may relate.

6.11 The Parties hereby agree that the failure to comply with any of the paragraphs and provisions of this Agreement shall constitute a material breach thereof.

6.12 EACH PARTY SPECIFICALLY UNDERSTANDS THAT THIS IS AN UNCONDITIONAL, FULL, FINAL, AND COMPLETE RELEASE AS TO EACH OTHER PARTY REGARDING THE CLAIMS AND DAMAGES DESCRIBED HEREIN, SUBJECT ONLY TO THE EXCEPTIONS, TERMS, CONDITIONS, WARRANTIES, AND REPRESENTATIONS CONTAINED HEREIN. THIS AGREEMENT IS NOT SUBJECT TO REVOCATION OR WITHDRAWAL OF CONSENT AND IS BINDING AND IRREVOCABLE.

IN WITNESS WHEREOF, the Parties have executed this Agreement individually or through their authorized representatives as of the date or dates set forth beside their respective signatures.

[Signature Pages to Follow]

CHESAPEAKE OPERATING, L.L.C.

By: *Sheldon W. Burleson*
Sheldon W. Burleson
Vice President – Southern Region *PN*

Dated this 14th day of September, 2021.

STATE OF OKLAHOMA §
 §
COUNTY OF OKLAHOMA §

Before me, the undersigned authority, on this day personally appeared Sheldon W. Burleson in his capacity as the duly-authorized representative of Chesapeake Operating, L.L.C., known to me to be the person whose name is subscribed to the foregoing instrument and acknowledged to me that he executed the same for the purpose and consideration therein expressed.

Given under my hand and seal of office this 14th day of September, 2021.



Paula J. Brown
NOTARY PUBLIC, State of Oklahoma
Commission Expires: 02/04/25

EXHIBIT A

[The Leases]

- TX2200024-000; “No Drill” Oil and Gas Mineral Lease, dated April 21, 2006, by and between MISD, as Lessor, and Chesapeake Exploration Limited Partnership (CELLC’s predecessor-in-interest), as Lessee, covering 213.32 acres;
- TX2206571-001; “No Drill” Oil and Gas Mineral Lease, dated November 14, 2006, by and between MISD, as Lessor, and Chesapeake Exploration Limited Partnership (CELLC’s predecessor-in-interest), as Lessee, covering 351.7226 acres;
- TX7150637-000; “No Drill” Oil and Gas Mineral Lease, dated April 19, 2007, by and between MISD, as Lessor, and Chesapeake Exploration Limited Partnership (CELLC’s predecessor-in-interest), as Lessee, covering 8.913 acres;
- TX2209764-000; “No Drill” Oil and Gas Mineral Lease, dated April 19, 2007, by and between MISD, as Lessor, and Chesapeake Exploration Limited Partnership (CELLC’s predecessor-in-interest), as Lessee, covering 244.129 acres;
- TX2209341-000; “No Surface Use” Oil and Gas Mineral Lease, dated April 7, 2011, by and between MISD, as Lessor, and CELLC, as Lessee, covering 51.576 acres;
- TX0422449-000; Paid Up “No Surface Use” Oil and Gas Mineral Lease, dated April 27, 2011, by and between MISD, as Lessor, and CELLC, as Lessee, covering 12.20 acres;
- 42-003023-000; “No Surface Use” Oil and Gas Mineral Lease, dated July 26, 2011, by and between MISD, as Lessor, and CELLC, as Lessee, covering 11.211046 acres;
- TX0500041-000; “No Surface Use” Oil and Gas Mineral Lease, dated October 11, 2011, by and between MISD, as Lessor, and CELLC, as Lessee, covering 78.082 acres; and
- 42-045881-000; “No Surface Use” Oil and Gas Mineral Lease, dated December 13, 2011, by and between MISD, as Lessor, and CELLC, as Lessee, covering 45.205 acres;

EXHIBIT B

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

| | | |
|---|---|-------------------------|
| In re: | § | Chapter 11 |
| CHESAPEAKE ENERGY CORPORATION, <i>et al.</i> , ¹ | § | Case No. 20-33233 (DRJ) |
| Reorganized Debtors. | § | (Jointly Administered) |
| | § | |

**STIPULATION AND AGREED ORDER REGARDING
MANSFIELD INDEPENDENT SCHOOL DISTRICT’S PROOF OF CLAIM**

The above-captioned reorganized debtors (before the Effective Date² of their Plan, the “Debtors,” and after the Effective Date of their Plan of reorganization, the “Reorganized Debtors”) and Mansfield Independent School District (“MISD,” and together with the Debtors or Reorganized Debtors, as applicable, the “Parties”) hereby enter into this stipulation and agreed order (this “Stipulation and Agreed Order”) as follows:

WHEREAS, between April 2006 and December 2011, MISD executed nine (9) oil, gas, and mineral leases (“Leases”) with Chesapeake Exploration, L.P. (“CELP”) and Chesapeake Exploration, L.L.C. (“CELLC”). CELP is CELLC’s predecessor-in-interest.

WHEREAS, on July 29, 2016, MISD filed Plaintiff’s Original Petition (as amended or supplemented, the “Petition”) against Debtors CELLC and Chesapeake Operating, L.L.C. (“COLLC”) (together with CELLC, “Chesapeake”) in the District Court of Tarrant County, Texas,

¹ A complete list of each of the Reorganized Debtors in these Chapter 11 cases may be obtained on the website of the Reorganized Debtors’ claims and noticing agent at <https://dm.epiq11.com/chesapeake>. The location of Reorganized Debtor Chesapeake Energy Corporation’s principal place of business and the Reorganized Debtors’ service address in these chapter 11 cases is 6100 North Western Avenue, Oklahoma City, Oklahoma 73118.

² Capitalized terms used but not otherwise defined herein have the meanings ascribed to them in the *Fifth Amended Joint Chapter 11 Plan of Reorganization of Chesapeake Energy Corporation and Its Debtor Affiliates* [Docket No. 2833] (the “Plan”).

141st Judicial District, in an action styled Cause No. 141-286764-16; *Mansfield Independent School District v. Chesapeake Exploration, L.L.C., et al.*, seeking damages related to claims of breach of contract, common law fraud, fraud by nondisclosure, sham transactions and fraudulent sales, exemplary damages, and attorneys' fees based on, among other things, Chesapeake's alleged underpayment of royalties and breach of marketing duties under the Leases at issue (the "Lawsuit");

WHEREAS, on April 8, 2015, the Texas Multidistrict Litigation Panel granted Chesapeake's *Joint Motion for Transfer and Request for Stay*, thereby creating a case in the District Court of Tarrant County, Texas, 48th Judicial District styled *In re Chesapeake Barnett Royalty Litigation*, Cause No. 15-0113, MDL No. 048-000000-15 (the "MDL Case") and joining the Lawsuit to the MDL Case;

WHEREAS, on February 14, 2019, the MDL Case was transferred to the District Court of Tarrant County, Texas, 96th Judicial District and styled *In re Chesapeake Barnett Royalty Litigation*, Cause No. 15-0113, MDL No. 096-000003-15;

WHEREAS, on June 28, 2020, the Debtors filed voluntary petitions for relief under title 11 of the United States Code (the "Bankruptcy Code") in the United States Bankruptcy Court for the Southern District of Texas (the "Bankruptcy Court");

WHEREAS, on August 13, 2020, the Bankruptcy Court entered the *Order (I) Setting Bar Dates for Filing Proofs of Claim, Including Requests for Payment Under Section 503(b)(9), (II) Establishing Amended Schedules Bar Date and Rejection Damages Bar Date, (III) Approving the Form of and Manner for Filing Proofs of Claim, Including Section 503(b)(9) Requests, (IV) Approving Notice of Bar Dates, and (V) Granting Related Relief* [Docket No. 787];

WHEREAS, on October 29, 2020, MISD timely filed Proof of Claim No. 3752 against CELLC in the amount of \$5,290,787.00 (the “MISD Claim”), asserting various secured and unsecured claims relating to the Leases and the Lawsuit;³

WHEREAS, on January 16, 2021, the Bankruptcy Court entered the *Order Confirming Fifth Amended Joint Chapter 11 Plan of Reorganization of Chesapeake Energy Corporation and Its Debtor Affiliates* [Docket No. 2915] confirming the Plan (the “Confirmation Order”);

WHEREAS, by way of that certain *Notice of Nonsuit Without Prejudice*, dated March 31, 2021, and that certain *Order of Nonsuit Without Prejudice*, dated April 1, 2021, MISD nonsuited its claims against Chesapeake in the Lawsuit and MDL Case without prejudice.

WHEREAS, MISD and the Reorganized Debtors have consensually agreed, after good faith, arm’s-length negotiations, to resolve the MISD Claim on the terms set forth in the Confidential Settlement and Release Agreement attached hereto as **Exhibit A** (“Settlement Agreement”), and this Stipulation and Agreed Order.

NOW, THEREFORE, IT IS STIPULATED AND AGREED as follows:

1. The Settlement Agreement is hereby approved.
2. The MISD Claim is hereby reduced and Allowed as a Class 7 General Unsecured Claim in the amount of [REDACTED] against Debtor CELLC.

³ MISD originally filed (a) Proof of Claim No. 155 against CELLC (a/k/a Claim # 3572, Schedule # 239287180 – see dm.epiq11.com/case/chesapeake/claims) (last visited September 1, 2021)) and (b) Proof of Claim No. 156 against COLLC (a/k/a Claim # 3573 – see dm.epiq11.com/case/chesapeake/claims) (last visited September 1, 2021)) in the Bankruptcy Matter, each asserting various secured and unsecured claims relating to the Leases and the Lawsuit. Proof of Claim #156 (a/k/a Claim # 3573) has already been expunged as of the date of this Stipulation and Agreed Order.

3. Following entry of this Stipulation and Agreed Order, and to the extent necessary, MISD will take all other steps reasonably necessary to finalize the Settlement Agreement, including removal of the UCC1 (as defined in the Settlement Agreement) by filing an oath of full payment with the Oklahoma Secretary of State's office.

4. Upon entry of this Stipulation and Agreed Order, Epiq Corporate Restructuring, LLC is hereby authorized and directed to amend or remove the POCs from the Official Claims Register without prejudice to the rights described and reserved in this Stipulation and Agreed Order.

5. The Parties hereby agree that each party shall bear its own costs and attorneys' fees and other expenses incurred related to the Settlement Agreement.

6. Nothing in this Stipulation and Agreed Order shall be interpreted to impair in any way the rights, claims, or defenses reserved under the Plan with regard to or on behalf of the Debtors, the Reorganized Debtors, and MISD, except to the extent inconsistent with the terms of the Stipulation and Agreed Order.

IT IS SO ORDERED.

Signed: _____, 2021
Houston, Texas

DAVID R. JONES
UNITED STATES BANKRUPTCY JUDGE

STIPULATED AND AGREED TO THIS [•] DAY OF SEPTEMBER, 2021:

By: /s/ Draft

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