

ENTERED

October 08, 2021

Nathan Ochsner, Clerk

**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)
	§	
	§	(Docket No. 4052)

**STIPULATION AND AGREED ORDER REGARDING
THE SHELTON PROOFS 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 Marty Shelton and Becky Shelton as Co-Trustees of the Shelton Land & Cattle Company Trust, Fransen Farms LLC, CB Graft and Tricia Graft as Co-Trustees of the CB Graft & Tricia D. Graft 2007 Mineral Revocable Living Trust, CABCO Development Company Inc, Ethel’s LLC, Patricia M. Kelley as Trustee of the Waverly & Verna Davis 1994 Irrevocable Trust, Melvin A. Davis and Carolyn J. Davis, Robert W. Travis and Karen R. Travis as Co-Trustees of the Robert & Karen Travis 2017 Revocable Living Trust, Danny G. Dupree, Ronnie Dean Dupree, Randy G. Dupree, Darrell Dupree, and the Estate of Darla Dawn Dupree Kinney (collectively, the “Claimants,” 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:

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”).

WHEREAS, the Claimants are owners of royalty and mineral interests in certain wells (the “Wells”) located in Oklahoma;

WHEREAS, on May 15, 2020, the Claimants filed *Plaintiff’s Petition* (as amended, the “Petition”) against Debtors Chesapeake Operating, L.L.C. (“COLLC”), Chesapeake Energy Marketing L.L.C., Chesapeake Exploration, L.L.C., and Chesapeake Energy Corporation, in the District Court of Custer County, State of Oklahoma (the “State Court”), in an action styled *Marty Shelton and Becky Shelton, Co-Trustees of the Shelton Land & Cattle Company Trust, et al., v. Chesapeake Operating, L.L.C, et al.*, Case No. CJ-2020-50 (the “Lawsuit”), alleging various claims relating to the Wells, including breach of lease, breach of implied and statutory duties, breach of the duty to account pursuant to the Production Revenue Standards Act, and actual and constructive fraud;

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] (the “Bar Date Order”), establishing certain dates and deadlines for filing proofs of claim in these chapter 11 cases;

WHEREAS, on September 23, 2020, the Claimants timely filed the following Proofs of Claim (collectively, the “Claims”), asserting various secured claims against the Debtors relating to the Lawsuit;

- Randy Gene Dupree filed Proof of Claim No. 566 against COLLIC in the amount of \$1,904.28;
- Danny Gene Dupree filed Proof of Claim No. 567 against COLLIC in the amount of \$1,904.12;
- Darrell Dupree filed Proof of Claim No. 568 against COLLIC in the amount of \$13,701.38;
- Ronnie Dean Dupree filed Proof of Claim No. 569 against COLLIC in the amount of \$1,904.21;
- Darla Dawn Dupree Kinney filed Proof of Claim No. 570 against COLLIC in the amount of \$1,904.35;
- Robert W. & Karen Travis JTWROS filed Proof of Claim No. 571 against COLLIC in the amount of \$3,058.32;
- Waverly & Verna Davis 1994 Irrevocable Trust filed Proof of Claim No. 572, amended by Proof of Claim No. 2363, against COLLIC in the amount of \$29,365.56;
- Fransen Farms filed Proof of Claim No. 573, amended by Proof of Claim No. 2366, against COLLIC in the amount of \$36,548.67;
- CABCO Development Company Inc. filed Proof of Claim No. 574, amended by Proof of Claim No. 2367, against COLLIC in the amount of \$1,157.70;
- CB Graft & Tricia D. Graft 2007 Mineral Revocable Living Trust filed Proof of Claim No. 575, amended by Proof of Claim No. 2368, against COLLIC in the amount of \$1,420.43;
- Ethel’s LLC filed Proof of Claim No. 576, amended by Proof of Claim No. 2369, against COLLIC in the amount of \$1,666.51;
- Shelton Land and Cattle Co. filed Proof of Claim No. 577, amended by Proof of Claim No. 2364, against COLLIC in the amount of \$71,021.50;
- Marty Shelton filed Proof of Claim No. 578, amended by Proof of Claim No. 2365, against COLLIC in the amount of \$50,471.61;

- Melvin A. Davis filed Proof of Claim No. 579 against COLLIC in the amount of \$16,779.35;
- Melvin A. and Carolyn J. Davis JTS filed Proof of Claim No. 580 against COLLIC in the amount of \$13,065.18;

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] (the “Confirmation Order”) confirming the Plan; and

WHEREAS, the Claimants and the Reorganized Debtors have consensually agreed, after good faith, arm’s-length negotiations, to resolve the disputes forming the basis of the Lawsuit and the Claims on the terms set forth in the settlement 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. The Parties are authorized to take all actions necessary to implement the Settlement Agreement.
2. Upon entry of this Stipulation and Agreed Order, the Settlement Agreement shall be binding on the Parties, the Debtors’ estates, all creditors and parties in interest, and on any trustee appointed in these cases.
3. In full and final satisfaction of the Claims:
 - The Reorganized Debtors shall pay \$40,000.00 (the “Settlement Payment”) to the Claimants in accordance with the terms of the Settlement Agreement;
 - Proof of Claim No. 566 against Debtor COLLIC is hereby reduced to \$948.65 and Allowed as a General Unsecured Claim to be treated in accordance with the Plan;
 - Proof of Claim No. 567 against Debtor COLLIC is hereby reduced to \$948.57 and Allowed as a General Unsecured Claim to be treated in accordance with the Plan;

- Proof of Claim No. 568 against Debtor COLLC is hereby reduced to \$6,825.58 and Allowed as a General Unsecured Claim to be treated in accordance with the Plan;
- Proof of Claim No. 569 against Debtor COLLC is hereby reduced to \$948.61 and Allowed as a General Unsecured Claim to be treated in accordance with the Plan;
- Proof of Claim No. 570 against Debtor COLLC is hereby reduced to \$948.68 and Allowed as a General Unsecured Claim to be treated in accordance with the Plan;
- Proof of Claim No. 571 against Debtor COLLC is hereby reduced to \$1,523.55 and Allowed as a General Unsecured Claim to be treated in accordance with the Plan;
- Proofs of Claim Nos. 572, 573, 574, 575, 576, 577, and 578 are hereby disallowed as amended by Proofs of Claim Nos. 2363, 2364, 2365, 2366, 2367, 2368, and 2369;
- Proof of Claim No. 579 against Debtor COLLC is hereby reduced to \$8,358.92 and Allowed as a General Unsecured Claim to be treated in accordance with the Plan;
- Proof of Claim No. 580 against Debtor COLLC is hereby reduced to \$6,508.64 and Allowed as a General Unsecured Claim to be treated in accordance with the Plan;
- Proof of Claim No. 2363 against Debtor COLLC is hereby reduced to \$14,628.96 and Allowed as a General Unsecured Claim to be treated in accordance with the Plan;
- Proof of Claim No. 2364 against Debtor COLLC is hereby reduced to \$35,380.58 and Allowed as a General Unsecured Claim to be treated in accordance with the Plan;
- Proof of Claim No. 2365 against Debtor COLLC is hereby reduced to \$25,143.30 and Allowed as a General Unsecured Claim to be treated in accordance with the Plan;
- Proof of Claim No. 2366 against Debtor COLLC is hereby reduced to \$18,207.35 and Allowed as a General Unsecured Claim to be treated in accordance with the Plan;
- Proof of Claim No. 2367 against Debtor COLLC is hereby reduced to \$576.73 and Allowed as a General Unsecured Claim to be treated in accordance with the Plan;

- Proof of Claim No. 2368 against Debtor COLLC is hereby reduced to \$707.61 and Allowed as a General Unsecured Claim to be treated in accordance with the Plan; and
- Proof of Claim No. 2369 against Debtor COLLC is hereby reduced to \$830.20 and Allowed as a General Unsecured Claim to be treated in accordance with the Plan.

4. As further consideration for the Settlement Payment, Claimants do hereby for their heirs, personal representatives and assigns, release and forever discharge COLLC, Chesapeake Energy Marketing, L.L.C., Chesapeake Exploration, LLC, and Chesapeake Energy Corporation and their heirs, agents, insurers, representatives, assigns, contractors, parent, subsidiary and affiliated entities, attorneys, current and former officers, former and current employees, successors and assigns, and any other person, firm, or corporation charged or chargeable with responsibility or liability, their heirs, representatives or assigns from any and all claims, demands, damages, costs, expenses, loss of services, actions, and causes of action, arising out of any act or occurrence up to the present time, and particularly on account of all loss or damages of any kind sustained or that may hereafter sustain in consequence of the Debtors' or Reorganized Debtors' calculation and payment of royalty with regards to the Wells, including, but not limited to, all claims brought by the Claimants in the Lawsuit.

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

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 the Claimants, except to the extent inconsistent with the terms of this Stipulation and Agreed Order.

IT IS SO ORDERED.

Signed: October 06, 2021.



DAVID R. JONES
UNITED STATES BANKRUPTCY JUDGE

STIPULATED AND AGREED TO THIS 1ST DAY OF OCTOBER, 2021:

By: /s/ Matthew D. Cavanaugh

JACKSON WALKER L.L.P.

Matthew D. Cavanaugh (TX Bar No. 24062656)

Jennifer F. Wertz (TX Bar No. 24072822)

Kristhy M. Peguero (TX Bar No. 24102776)

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Co-Counsel to the Reorganized Debtors

By: /s/ Mark E. Walraven

GRAFT & WALRAVEN PLLC

Mark E. Walraven (admitted *pro hac vice*)

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Counsel to the Claimants

Exhibit A

Settlement Agreement

Classification: DCL-Internal

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SETTLEMENT AGREEMENT

THIS SETTLEMENT AGREEMENT ("Agreement," "Settlement," "Release," or "Settlement Agreement") is made and entered into this 28th day of September, 2021, by and between Marty Shelton and Becky Shelton, Co-Trustees of the Shelton Land & Cattle Company Trust, Marty Shelton and Becky Shelton, Fransen Farms LLC formerly known as Fransen Farms, an Oklahoma General Partnership, CB Graft and Tricia Graft, Co-Trustees of the CB Graft & Tricia D. Graft 2007 Mineral Revocable Living Trust, CABCO Development Company Inc, Ethel's LLC, Patricia M. Kelley, Trustee of the Waverly & Verna Davis 1994 Irrevocable Trust, Melvin A. Davis and Carolyn J. Davis, Robert W. Travis and Karen R. Travis, Co-Trustees of the Robert & Karen Travis 2017 Revocable Living Trust, Danny G. Dupree, Ronnie Dean Dupree, Randy G. Dupree, the Estate of Darla Dawn Dupree Kinney, and Darrell Dupree ("Plaintiffs"), and Chesapeake Operating, L.L.C., formerly known as Chesapeake Operating, Inc., Chesapeake Energy Marketing, L.L.C., formerly known as Chesapeake Energy Marketing, Inc., Chesapeake Exploration, LLC, and Chesapeake Energy Corporation ("Defendants")

RECITALS

WHEREAS, Plaintiffs are owners of mineral interests and are royalty owners in the following Oklahoma wells: the Alexander 1-30, Alexander 1-31, Barry Family 3-15-25 1H, Bray Trusts 1-24H, Cecil Rounds 1, Claude 3-23, Clift 1-4, Clift 2-4, Clift, 3-4, Clift 4-4, Clift 4-7, Clift 4-8, Clift 5-4, Clift 6-4, Coney 1-22, Davis 1-18, Davis 1-19, Davis 1-29, Davis 1-30, Davis 2-19, Davis 3-19, Davis 3-30, Davis 30-12-26 1H, Davis 30-12-26 2HC, Davis 4-19, Davis 4-30, Davis 5-19, Davis 6-19, Davis 7 Farms 1-24, Davis 7 Farms 26-1, Davis 7 Farms 26-2, Davis 7 Farms 26-3, Dearing 17-19-24 1H, Derby 1-13, Dippel 1-13, Don 1-8, Don 2-8H, Don 8-11-18-3H, Double M 12-16-20 1H, Dowell 1-31H, Dowell 2-31, E.H. Walker 1-5, Eula Mae 17-19-24 1H, Fancher 1-24, Fancher 2-24, Fancher 3-24, Fariss 2-16-20 1H, Flaming 1-5, Fowler 1-29, Fowler 1-32H, Fowler 32-12-26 1H, Fransen Farms 1-26, Hale 1-30, Harvey 2-6, Horse Creek 1-8, Hostetter 1-15H, J. Johnson USA 1-1H, Johnson 25-1, Johnson 25-4, Johnson 3-25, Keathley 30-12-26 1H, Keathley 30-12-26 2HA, Lavern 1-6, Linda Fae 12-16-20 1H, LJ Hinz 1-6, Lois 1-22, Lois 2-22, Louis F 2-16-20 1H, Manson 5-1, Manson 5-2, Manson 5-3, Mark 1-5, Marshall Murphy 1-12H, Marty 8-11-18 1H, Marva 1-19H, Meyer 1-4, Meyer 2-4, Meyer 3-4, Meyer 4-4, Morrison 1-22, Moss 7-11-18 1H, Newcomb 2-24, Nina Pearl 2-22, Penner 1-22, Penner 2-22, Perry 1-30, Rick 1-5, Roberts 1-5, Roberts Family 1-9, Salisbury 1-11-18 1H, Sawatsky 26-1, Sawatsky 26-2, Sawatsky 3-26, Shelton 1-7H, Shelton 2-10, Shelton 7-11-18 3H, Shelton 7-11-18 4H, Shirl Ann 1-14H, Shirl Ann 14-11-19 2H, Snider A-1-22, Stribling 1-10, Taylor 1-19, Taylor 2-19, Thomsen Trust 1-6, Touchstone 1-14, Touchstone 2-14, Touchstone 3-14, Van Buren Ave 22-11-21 1H, Walker 19-2, and the Walker-Griffits 1-19 (hereinafter collectively, "Wells");

WHEREAS, Plaintiffs brought suit against Defendants in the lawsuit styled, Marty Shelton and Becky Shelton, Co-Trustees of the Shelton Land & Cattle Company Trust, et al., v. Chesapeake Operating, L.L.C., et al., Case No. CJ-2020-50, filed in the District Court of Custer County, State of Oklahoma (the "Lawsuit") alleging claims of Breach of Lease, Breach of Implied and Statutory Duties, Breach of the duty to Account pursuant to the Production Revenue Standards Act, and Actual and Constructive Fraud;

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WHEREAS, Chesapeake Operating, L.L.C., formerly known as Chesapeake Operating, Inc., Chesapeake Energy Marketing, L.L.C., formerly known as Chesapeake Energy Marketing, Inc., Chesapeake Exploration, LLC, and Chesapeake Energy Corporation, deny the claims alleged in the lawsuit. They further have denied and continue to deny any wrongdoing and any liability to Plaintiffs, or any others;

WHEREAS, Defendants filed Petitions in the United States Bankruptcy Court for the Southern District of Texas on June 28th, 2020, seeking relief under Chapter 11 of the United States Bankruptcy Code, Case Number 20-33233 (the “Chesapeake Bankruptcy”).

WHEREAS, Plaintiffs each filed Proof of Claim Forms on September 23, 2020 totaling a sum of \$245,873.17. The principal amount of Plaintiffs’ claims making up a total of \$123,387.24, with the remaining \$122,485.93 consisting of interest, costs, and attorney’s fees.

WHEREAS, the Plaintiffs and Defendants desire to resolve all disputes to avoid further protracted, complicated, expensive, risky and uncertain litigation and to satisfy any and all claims, and;

NOW, THEREFORE, in consideration of the mutual promises and undertakings set out herein and the payment set forth below, and for other good and valuable consideration, the sufficiency of which is hereby acknowledged, the parties agree as follows:

PAYMENT AND AGREED TERMS

1. Payment

In consideration for the foregoing recitations, and the covenants, promises and agreements made below, Defendants agree to pay Plaintiffs the sum of Forty Thousand and No/100 Dollars (\$40,000.00), within ten (10) business days of the entry of an order approving this settlement in the Chesapeake Bankruptcy.. Defendants further agree to wire said Payment to the Client Trust Account of Graft & Walraven, PLLC, as listed in the attached “Exhibit A”. Once Payment is made to the Client Trust Account of Graft & Walraven, PLLC, Defendants have no further payment obligations with respect to Plaintiffs under the terms of this Settlement Agreement and have no responsibility, duty, interest or involvement in the allocation of said Payment among Plaintiffs. Plaintiffs specifically waive any claims, actions or demands against Defendants for the manner in which the Payment is allocated and Defendants have no role or responsibility associated with that obligation.

2. General, Unsecured Claim

Defendants agreed to allow as a general, unsecured claim 100% of the interest, costs and attorney fees, that being \$122,485.93, claimed by Plaintiffs in the Proof of Claim Forms referenced above.

3. Full Consideration

Settlement Agreement

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Said payments and agreement shall constitute consideration for the full and final settlement of the principal amount of claims in the above-mentioned Lawsuit and to forever discharge Chesapeake Operating, L.L.C., formerly known as Chesapeake Operating, Inc., Chesapeake Energy Marketing, L.L.C., formerly known as Chesapeake Energy Marketing, Inc., Chesapeake Exploration, LLC, and Chesapeake Energy Corporation and their heirs, parent, subsidiary and affiliated entities, underwriters, agents, current and former officers, current and former employees, successors, representatives or assigns, contractors, attorneys and/or insurers, from any and all claims, demands, lawsuits, actions, causes of actions, and/or any other type of claim that has been or may be brought by Plaintiffs, their agents, employees, representatives, or assigns, resulting from and/or involving the payment of royalty on the above identified wells up to the date of this agreement, including but not limited to release of all contractual claims, tort claims, statutory claims and/or claims based in equity, statute or common law, for any damages, attorney fees, costs, expenses, loss of services, or other any other type of loss, incurred, or which may be incurred, arising out of any act or occurrence up to the present time.

4. Plaintiff's Declaration

To procure the Payment of the said sum, Plaintiffs hereby declare: that the undersigned have proper authority to enter into this Settlement Agreement and that no representations about the nature and extent of damages, nor any representations regarding the nature and extent of legal liability or financial responsibility of any of the parties released, have induced them to make this settlement; that in determining said sum there has been taken into consideration not only the present claims, demands and complaints, but also the possibility that additional claims, demands and complaints may be raised that are not now anticipated or known and that additional damages and losses may have been incurred that are not now anticipated or known as a result of the acts or omissions of Defendants and that this Agreement shall apply to all unknown and unanticipated damages, claims, demands, and complaints resulting from the payment of royalty on the above identified wells up to the date of this Settlement Agreement, as well as those now disclosed, and that Plaintiffs knowingly assume that risk and acknowledge and agree that this Settlement Agreement shall remain in effect and shall not be subject to termination or revocation by reason of any such different facts or unanticipated damages.

5. Release of Principal Amount of Claims

As further consideration for the payment of the above-mentioned sum, Plaintiffs do hereby for their heirs, personal representatives and assigns, release and forever discharge Chesapeake Operating, L.L.C., formerly known as Chesapeake Operating, Inc., Chesapeake Energy Marketing, L.L.C., formerly known as Chesapeake Energy Marketing, Inc., Chesapeake Exploration, LLC, and Chesapeake Energy Corporation and their heirs, agents, insurers, representatives, assigns, contractors, parent, subsidiary and affiliated entities, attorneys, current and former officers, former and current employees, successors and assigns, and any other person, firm, or corporation charged or chargeable with responsibility or liability, their heirs, representatives or assigns from any and all claims, demands, damages, costs, expenses, loss of services, actions and causes of action, arising out of any act or occurrence up to the present time, and particularly on account of all loss or damages of any kind sustained or that may hereafter sustain in consequence of Defendants calculation and payment of royalty with regards to the above identified wells, including, but not limited to, all claims brought by Plaintiffs in the lawsuit filed in the District Court of Custer County, State of Oklahoma, Case No. CJ-2020-50, styled Marty Shelton and Becky Shelton, Co-Trustees of the Shelton Land & Cattle Company Trust, et al., v. Chesapeake Operating, L.L.C, et

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al. and the principal amount of claims listed in the Proof of Claim Forms filed in Case Number 20-33233 in the United States Bankruptcy Court for the Southern District of Texas. Defendants agree to allow as a general unsecured claim, 100% of the interest, costs, and attorney fees as referenced above.

6. Warranty and Indemnification

Plaintiffs further confirm and warranty that they are the proper parties to this action and have not transferred or assigned their rights to the proceeds from the Lawsuit to any other party and that their interest herein is free of encumbrances, liens, claims, actions, or subrogation interests of any kind.

7. Attorney's Fees, Liens and Costs

The parties agree that each party will bear its own attorneys' fees, costs and expert fees and that all costs and attorneys' fees shall be borne by the party incurring the same.

8. Mutual Drafting

In executing this Agreement, the parties represent that neither they nor their attorneys have relied upon any statement or representation regarding the Agreement other than those expressly contained in this Agreement. The parties agree that the negotiation and drafting of this Agreement was the product of the joint and mutual efforts and participation of all parties hereto and their counsel and that, therefore, in the event of any ambiguity herein, such ambiguity shall not be resolved against or in favor of any particular party on the basis of who prepared or drafted the documents.

9. No Admission of Liability

This Agreement is not an admission by Chesapeake Operating, L.L.C., formerly known as Chesapeake Operating, Inc., Chesapeake Energy Marketing, L.L.C., formerly known as Chesapeake Energy Marketing, Inc., Chesapeake Exploration, LLC, and Chesapeake Energy Corporation their agents, representatives, shareholders, officers, employees, or any other persons or entities acting on their behalf, of any liability or violation or breach of any contract, law, duty or obligation to Plaintiffs or to any other persons or entities and it is expressly understood that this Settlement Agreement will not be used in any other litigation arising from the payment of royalty.

10. Execution of Agreement

The Parties hereby enter into this Agreement voluntarily and of their own free will and not due to any coercion or undue influence or duress, economic or otherwise.

11. Entire Agreement

This Release and Indemnity Agreement constitute the entire agreement among the parties, and supersedes any and all prior negotiations, understandings, or agreements in regard hereto.

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12. Counterparts

This Agreement may be executed in any number of counterparts. Collectively, all counterparts shall constitute a single Release and Indemnity Agreement, and shall be binding upon each party who executes any such counterpart.

13. Confidentiality

The undersigned further represent that it is understood and agreed among the Plaintiffs and Defendants that the amount, numbers, terms and conditions of this settlement are to forever remain confidential, and shall not be released to the press, media, or persons other than parties to this agreement other than as required by law or by order of the Court as mutually agreed to in writing, or as necessary to effectuate settlement of this case. The undersigned understand that among the reasons for such confidentiality is that Defendants do not wish the circumstances, terms, or conditions of this settlement to be referenced or discussed, directly or indirectly, by way of publicity or otherwise.

The undersigned further agree to return all confidential documents produced by Defendants and/or swear that all said documents, including all digital or electronic files, have been destroyed.

14. Governing Law

This Settlement Agreement shall be construed or interpreted in accordance with the laws of the State of Oklahoma.

15. Bankruptcy Court Approval


Within five (5) days of the execution of this Settlement Agreement by both parties, the parties shall file for approval of this Settlement Agreement in the Chesapeake Bankruptcy. In the event this Settlement Agreement is not approved by the bankruptcy court in the Chesapeake Bankruptcy, this Settlement Agreement shall become null and void.

IN WITNESS WHEREOF, the parties have signed and agreed to the terms hereof on the day and date as indicated first above.

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Plaintiffs:



Shelton Land & Cattle Company Trust
Marty Shelton, Co-Trustee

Marty Shelton

Shelton Land & Cattle Company Trust
Becky Shelton, Co-Trustee

Becky Shelton

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Plaintiff:

Fransen Farms LLC
Elaine Fransen, Manager

**Fransen Farms, LLC, f/k/a Fransen
Farms, an Oklahoma General Partnership
Elaine Fransen, Manager**

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Plaintiffs:



**CB Graft & Tricia D. Graft 2007 Mineral
Revocable Living Trust
CB Graft, Co-Trustee**



**CB Graft & Tricia D. Graft 2007 Mineral
Revocable Living Trust
Tricia Graft, Co-Trustee**



**CABCO Development Company, Inc.
CB Graft, President**



**Ethel's, LLC
CB Graft, Manager**

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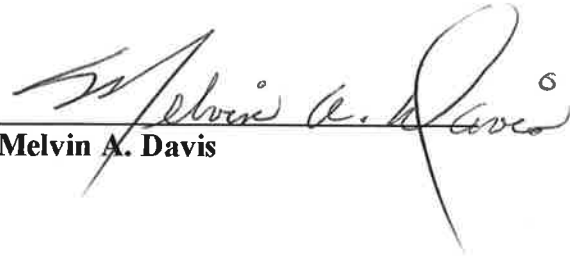
Plaintiff:

Patricia M. Kelley

Waverly & Verna Davis 1994 Irrevocable Trust
Patricia M. Kelley, Trustee

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Plaintiffs:



Melvin A. Davis


Carolyn J. Davis

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Plaintiffs:


**Robert & Karen Travis 2017 Revocable
Living Trust
Robert W. Travis, Trustee**


**Robert & Karen Travis 2017 Revocable
Living Trust
Karen R. Travis, Trustee**

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Plaintiff:



Danny G. Dupree


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Plaintiff:


Ronnie Dean Dupree

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Plaintiff:



Randy G. Dupree

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Plaintiff:



Estate of Darla Dawn Dupree Kinney
By: Rod Kinney
Title: Personal Representative

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Plaintiff:



Darrell Dupree

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Defendants:



**Chesapeake Operating, L.L.C., f/k/a Chesapeake
Operating, Inc., Chesapeake Energy Marketing, L.L.C.,
f/k/a Chesapeake Energy Marketing, Inc., Chesapeake
Exploration, LLC, and Chesapeake Energy Corporation**

By: Benjamin E. Russ

**Title: Executive Vice President – General Counsel and
Corporate Secretary**