

**IN THE UNITED STATES DISTRICT COURT
FOR THE EASTERN DISTRICT OF ARKANSAS
WESTERN DIVISION**

**CONNIE JEAN SMITH, individually and
on behalf of all others similarly situated**

PLAINTIFFS

v.

CASE NO. 4:14-CV-00435 BSM

**SEECO, INC., n/k/a SWN Production
(Arkansas), LLC; DESOTO GATHERING
COMPANY, LLC; SOUTHWESTERN
ENERGY SERVICES COMPANY;
SOUTHWESTERN ENERGY COMPANY**

DEFENDANTS

JUDGMENT

Pursuant to the verdict returned by the jury on June 16, 2017, following ten days of trial,

IT IS ORDERED, ADJUDGED AND DECREED that judgment is entered against the certified class and for defendant SEECO, Inc., n/k/a SWN production (Arkansas), LLC, on the claims for breach of contract, as described in Court's Instruction No. 10; for fraud and deceit, as described in Court's Instruction No. 13; and for violations of Arkansas's Deceptive Trade Practices Act and wrongfully withheld royalty statute, as described in Court's Instructions Nos. 15 and 16, respectfully; and for defendant Southwestern Energy Services Company on the claim for violating Arkansas's improper sale statute, as described in Court's Instruction No. 18; and for defendants DeSoto Gathering Company and Southwestern Energy Company on the claim for unjust enrichment, as described in Court's Instruction No. 19.

IT IS FURTHER ORDERED that, pursuant to Federal Rule of Civil Procedure

23(c)(3), the certified class consists of:

All royalty owners of SEECO, Inc., now known as SWN Production (Arkansas), L.L.C. (“SEECO”) (i) in wells producing natural gas from the Fayetteville Shale Field in Arkansas that was gathered by DeSoto Gathering Company, L.L.C. (“DeSoto”) and purchased by Southwestern Energy Services Company (“SES”), (ii) from whose royalty payments on such gas SEECO took deductions for gathering, compression and/or treating at any time since January 1, 2006, and (iii) who were paid such royalty payments under oil and gas leases which provide for the payment of royalty as follows:

- a. “Lessee shall pay Lessor [stated fraction or %] of the proceeds derived from the sale of all gas (including substances contained in such gas) produced, saved and sold by Lessee. Proceeds are defined as the actual amount received by the Lessee for the sale of said gas. In calculating the proceeds derived from the sale of gas produced, saved and sold by Lessee, Lessee shall be entitled to deduct all reasonable gathering, transportation, treatment, compression, processing, and marketing costs that are incurred by Lessee in connection with the sale of such gas.”
- b. “Lessee shall have the right to use, free of cost, gas, oil and water found on said land for its operations, except water from the wells of the lessor.”

Doc. No. 186 at 7–8 (order certifying class). This class definition excludes (a) overriding royalty interest owners who derive their interest through the oil and gas lease; (b) all governmental entities, including federal, state and local governments and their respective agencies, departments, or instrumentalities; (c) Southwestern Energy Company, SEECO, DeSoto, and SES and their subsidiaries and affiliates; (d) owners of any interests and/or leases located on or within any federally-created units, including the Ozark Highlands Unit; (e) owners of any non-operating working interest for which SEECO or its agents or representatives, as operating working interest for which SEECO or its agents or

representatives, as operator, disburses royalty; (f) SEECO's counsel, their firms, and members of their firms; and (g) members of the judiciary and their staff to whom this action is assigned. *Id.* at 8. Notice was individually sent to these individuals where possible and published in a national publication. *See* Doc. No. 279 at 7 (describing notice).

Although certain class members meet the above definition, they have been excluded from this action and are not bound by this judgment. These include class members who tendered opt-out requests accepted by the court as described in a prior order [Doc. No. 279] and noted on a supplemental report provided by the class representative [Doc. No. 283-1], which has been attached hereto as Exhibit A; and other class members known to defendants whose identities were not disclosed to the class representative until shortly before trial, who were excluded by prior order [Doc. No. 295], and who were only recently identified to the court by defendants after the verdict was returned [Doc. No. 502-1] in a list attached hereto as Exhibit B.

Having adjudicated all claims against the certified class and for defendants, the class action complaint [Doc. No. 1] is dismissed with prejudice. Court costs are assessed against plaintiff.

DATED this 23rd day of June 2017.


UNITED STATES DISTRICT JUDGE