COURT-AUTHORIZED NOTICE REGARDING SETTLEMENT NOT AN ADVERTISEMENT FROM A LAWYER

IN THE UNITED STATES DISTRICT COURT FOR THE DISTRICT OF NEW MEXICO

JOHN PRICE, Individually and For Others)
Similarly Situated,)
)
Plaintiff,)
)
v.) Case No. 2:2020-cv-00316 KWR/GJF
)
DEVON ENERGY CORPORATION,)
)
Defendant.)

NOTICE TO PUTATIVE CLASS MEMBERS REGARDING SETTLEMENT OF A CLASS AND COLLECTIVE ACTION CONCERNING CURRENT AND FORMER INDEPENDENT CONTRACTORS OF DEVON

SUMMARY OF YOUR LEGAL RIGHTS AND OPTIONS IN THIS COLLECTIVE ACTION SETTLEMENT

A proposed settlement (the "Settlement") has been reached in the above-referenced class and collective action lawsuit currently pending in the United States District Court for the District of New Mexico captioned *John Price et al. v. Devon Energy Corporation* (the "Litigation"). Because you work or worked as an independent contractor assigned to work for Devon Energy Production Company, LP ("Devon") by MBF Inspections Services, Inc. in the role of chief inspector or utility inspector sometime between April 8, 2017 and April 6, 2021, 1 you are impacted by this settlement. The settlement involves claims under the federal Fair Labor Standards Act ("FLSA").

You May:	Description:
Receive	You will receive a pre-tax settlement allocation of << estAmount>> from this settlement.
Settlement	To receive your portion of the settlement in the mail, you need to return the enclosed
Money – Return	Consent Form and Release Form and W-9 tax form by August 30, 2021 at Price v. Devon
Consent Form.	Energy Corporation, c/o CPT Group, Inc., 50 Corporate Park Irvine, CA 92606, Fax: 1-949-419-3446, or Email: DevonPriceNMSettlement@cptgroup.com. You will receive your settlement check in the mail by September 29, 2021. By executing the check, you will release all of the federal and state law claims listed in the Claim Form.
Not Return the Consent Form	If you do not want to participate in the settlement, you should not return the Consent Form or Release Form. By not returning the Consent Form or the Release Form, you will not be waiving any rights or claims that you may have against Devon under federal law.

For additional information or if you have questions regarding this settlement, you may contact Class Counsel:

¹ The date on which all Parties have executed the Settlement Agreement.

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DESCRIPTION OF THE CLASS AND COLLECTIVE ACTION SETTLEMENT I.

What is The Lawsuit About and Why Was This Notice Sent?

Certain current and former workers who were paid a day-rate ("Putative Class Members") and who were assigned to work for Devon by MBF Inspection Services, Inc. filed a lawsuit against Devon alleging that the Putative Class Members should have been classified as employees and received overtime pay. The Putative Class Members alleged that the classification of the workers as independent contractors violated the Fair Labor Standards Act. The Putative Class Members were seeking unpaid back wages in the form of unpaid overtime for all hours worked over 40 hours in a week, liquidated damages, attorney fees, and costs.

Devon defended the lawsuit and denied that they violated federal or state law. Devon asserted that its pay practices were appropriate. Devon took the position that no damages should be awarded to the Putative Class Members.

After arms-length negotiations, the Parties reached this settlement. The Parties agreed to a settlement and presented it to the Court for approval. The settlement has been filed with the Court. On May 24, 2021, the Court approved the settlement as fair and reasonable.

The Court that approved this settlement allowed the issuance of this notice to explain to the persons affected by this settlement the background of the case, the settlement share allocated to each Putative Class Member, and the rights each Putative Class Member can exercise.

Who is Affected by The Proposed Settlement?

You are receiving this Notice because you were identified by Devon as being a person assigned to work at Devon by MBF Inspection Services, Inc. sometime between April 8, 2017 and April 6, 2021² in the role of chief inspector or utility inspector who was paid a day-rate during the time period covered by this Settlement. Should you choose to opt-in and participate in this lawsuit, you will receive additional compensation from Devon through this settlement.

² The date on which all Parties have executed the Settlement Agreement.

What Are Your Options?

- 1. **Participate:** Execute and return the enclosed Consent Form and Release Form and W-9 tax forms. You will be mailed a settlement check by September 29, 2021.
- 2. **Not Participate:** If you do not want to participate in the settlement, you should not execute or return the enclosed Consent Form and Release Form and W-9 tax form.

Once you receive the settlement checks, what do you do next?

If you wish to participate in the settlement, when you receive the settlement check, you should execute or otherwise cash or deposit the settlement check within **90 days**. By executing the settlement check, you will release Devon and its affiliates of all wage and hour related claims as described in the Settlement Agreement for the time period covered by the settlement – April 8, 2017 to April 6, 2021.³

If you do not execute the settlement check within **90 days** of receiving it, you will not release Devon, its affiliates of the wage and hour related claims arising from the Fair Labor Standards Act. Your settlement share attributable to your Fair Labor Standards Act claims will be returned to Devon.

No Retaliation.

Whether you are a current or former independent contractor who is eligible for this Settlement, Devon will not take any action against individuals who either choose to participate in the Settlement or decide not to do so.

What if You Have Questions?

This Notice only summarizes the lawsuits, the Settlement, and related matters. For more information about the Settlement or if you have any questions regarding the Settlement, you may examine the Court file, or contact the attorneys for the Class listed above.

II. SUMMARY OF TERMS OF THE PROPOSED SETTLEMENT

Subject to final approval by the Court, the terms of the Settlement are as follows:

- 1. Devon will allocate the Gross Settlement Amount to pay: (a) the claims of the Putative Class Members; (b) Class Counsel's fees and litigation costs; (c) costs for a settlement claims administrator; and (d) Enhancement Award to the Class Representative, John Price.
- 2. After deduction from the Gross Settlement Amount for Class Counsel's attorneys' fees and litigation costs, Claims Administrator costs, and Enhancement Award, the remaining portion of the Gross Settlement Amount will be allocated ("Settlement Allocation") on a pro rata basis to each Putative Class Member.

³ The date on which all Parties have executed the Settlement Agreement.

Each Putative Class Member who returns a Consent and Release Forms and W-9 tax form will receive a settlement payment for the Class Member's Settlement Allocation.

- 3. The Parties have agreed to an approach that they believe fairly allocates the portion of the Settlement Amount to be paid to Class Members between and among the Class Members. On **May 24, 2021**, the Court approved the recommended formula and factors.
- 4. The Court awarded attorneys' fees in an amount not to exceed 40% of the Maximum Settlement Amount and reasonable litigation costs (including a claims administrator), all of which will be paid from the Gross Settlement Amount. In addition, the Court has authorized Enhancement Award to the Class Representative in the amount of \$5,000.00.
- 5. Each individual who participates in the settlement and executes the settlement checks is deemed to fully and finally release and discharge Devon and its affiliates, from any and all applicable federal, state, or local wage and hour claims, obligations, demands, actions, rights, causes of action, and liabilities against Devon related to or in any way connected with your work with or for Devon between April 8, 2017 and April 6, 2021, including (a) all claims asserted or which could have been asserted in the Litigation (as defined above) which arose under the facts alleged and/or applicable state or local wage and hour laws and regulations; (b) all claims under applicable state or local laws and regulations for the failure to pay any type of overtime compensation or other wages (including late payments of wages or business expenses); (c) all claims which arose under any applicable state or local laws or regulations for the failure to provide or pay for meal periods and/or rest periods; (d) all claims under applicable state or local laws or regulations, including but not limited to alleged recordkeeping violations, stemming from or based on the alleged misclassification as an exempt employee; and (e) all claims for penalties or additional damages which allegedly arise from the claims described in (a) through (d) inclusive above under applicable federal, state or local law.

III. TAXES

For tax reporting purposes, any payments made pursuant to the Settlement shall be deemed payment in settlement of claims for penalties, liquidated damages, interest, and all other non-wage recovery. Such amounts will not be subject to withholding or deduction and will be reported as non-wage income on a Form 1099 or equivalent, and such other state or local tax reporting forms as may be required by law.

If you have any questions regarding the tax treatment of any payments pursuant to the Settlement, you should consult your own tax advisor.

IV. <u>ADDITIONAL INFORMATION</u>

This Notice only summarizes the Litigation, the Settlement, and other related matters. For more information, you may contact the attorneys representing the Settlement Class above, and/or you may review the Court's files, including the detailed Settlement Agreement, which will be on file with the Clerk of the Court. The pleadings and other records in the Litigation, including the Settlement Agreement, may be examined at the Office

⁴ The date on which all Parties have executed the Settlement Agreement.

of the Clerk of the United States District Court for the District of New Mexico, located at 333 Lomas Blvd NW, Albuquerque, NM 87102.

V. IF YOU CHANGE YOUR NAME OR ADDRESS

IF, FOR FUTURE REFERENCE AND MAILINGS FROM THE COURT OR CLAIMS ADMINISTRATOR, YOU WISH TO CHANGE THE NAME OR ADDRESS LISTED ON THE ENVELOPE IN WHICH THIS NOTICE WAS MAILED TO YOU, THEN YOU MUST IMMEDIATELY CONTACT THE ATTOTNEYS LISTED ABOVE AND FULLY COMPLETE, EXECUTE, AND RETURN THE CHANGE OF NAME AND/OR ADDRESS INFORMATION FORM TO CLASS COUNSEL.

PLEASE DO NOT CALL OR WRITE THE COURT ABOUT THIS NOTICE.