

**IN THE UNITED STATES DISTRICT COURT FOR  
THE EASTERN DISTRICT OF OKLAHOMA**

Marvin B. Dinsmore, et al., on behalf of  
themselves and all others similarly situated,

Plaintiffs,

v.

Staghorn Petroleum II, LLC,

Defendant.

Case No. 24-CV-369-JAR

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**DECLARATION OF MARVIN B. DINSMORE AND SHERIDAN DOWNEY, III**

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We, Marvin B. Dinsmore and Sheridan Downey, III, of lawful age, upon personal knowledge, and pursuant to 28 U.S.C. § 1746, declare as follows:

1. We have personal knowledge of the facts set out in this declaration based upon our involvement in the Litigation and upon information provided to us by Class Counsel.
2. We serve as Administrators of the Estate of David D. Dinsmore (the “Estate”).
3. We submit this declaration in support of the forthcoming Motion for Final Approval of Class Action Settlement and Motion for Approval of Plaintiffs’ Attorneys’ Fees, Litigation Expenses, Administration, Notice, and Distribution Costs, and Case Contribution Award.
4. By submitting this declaration, we neither intend to, nor do we, waive any protections available to us or the Estate, including, the attorney-client privilege, work product privilege, or any other privileges that may apply.
5. The Estate owns a royalty interest in the Holsapple 1-24-13 Well operated by Staghorn Petroleum II, LLC (“Staghorn”) in Dewey County, Oklahoma.

**EXHIBIT 3**

6. The Estate also owns royalty interests in the Meier 2-30 Well and the Spencer 1-18 Well operated by Staghorn in Blaine County, Oklahoma.

7. Staghorn remitted proceeds to the Estate in May of 2023 for sales of oil-and-gas production dating as far back as May of 2016, without interest for the late payment.

8. As a result, the Estate engaged Class Counsel to pursue claims for late payments of proceeds by Staghorn.

9. As part of this engagement, we were advised of the commitment to fulfill the responsibilities of named plaintiffs and proposed class representatives.

10. We agreed that Class Counsel would represent the Estate on a contingency fee basis of 40% of any recovery obtained because of the risks and uncertainty associated with the lawsuit, the potentially significant expenses Class Counsel might incur, and the high level of representation to be provided by Class Counsel. We understood that a forty percent contingency fee was the market rate for similar actions. We understood that Class Counsel would work on a fully contingent basis and that the Estate would not pay hourly rates for the engagement. The Estate's claim was not economic to pay the fees and expenses necessary to litigate this matter to completion on a pay-as-you-go or non-contingent fee structure.

11. Through this lawsuit, we have obtained a cash recovery of \$1,500,000.00 for the Settlement Class.

12. We were informed of material developments that occurred during the lawsuit and provided approval to negotiate on behalf of the Estate and the Settlement Class.

13. We believe the negotiation process resulted in a significant benefit to the Settlement Class, which provides a gross value of \$1,500,000.00. This amount, after reduction for court-ap-

proved Plaintiffs' Attorneys' Fees, reimbursement of Litigation Expenses, payment of Administration Expenses, Notice and Distribution Costs, and Case Contribution Award, if any, will be distributed to Class Members once the Settlement becomes Final and Non-Appealable, if approved. We believe this is a material recovery for the Settlement Class.

14. Through our involvement in this lawsuit, we understand the strengths and weaknesses of the claims against Staghorn. We are aware of the hurdles the Settlement Class would be required to overcome to prove liability and damages if the lawsuit was to be tried rather than settled, including the fact that some oil-and-gas class actions fail to be certified.

15. The Settlement is a material recovery for the Settlement Class under circumstances where it was possible that no recovery at all would be obtained. We fully support this Settlement as fair, reasonable, and adequate for the Settlement Class.

16. We are very pleased with the efforts of Class Counsel who always conducted themselves with professionalism and diligence while effectively representing the interests of the Settlement Class and the Estate.

17. Class Counsel is collectively applying for an award of Plaintiffs' Attorneys' Fees out of the \$1,500,000.00 Gross Settlement Fund, as well as reimbursement of Litigation Expenses reasonably and necessarily incurred in successfully prosecuting the claims in this lawsuit.

18. We understand that, despite our fee agreement providing a 40% attorney fee provision, Class Counsel will be requesting 35% of the Gross Settlement Fund for Plaintiffs' Attorneys' Fees.

19. Because of Class Counsel's efficient and outstanding work, we approve of Class Counsel's application for a fee award of 35% of the Gross Settlement Fund. We approve of Class

Counsel's request for reimbursement of their reasonable and necessarily incurred Litigation Expenses. We understand that if the award is granted, Plaintiffs' Attorneys' Fees and reimbursed Litigation Expenses will be paid to Class Counsel out of the \$1,500,000.00 Gross Settlement Fund.

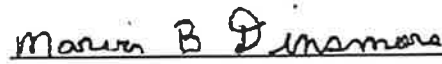
20. While the Estate will recover only its pro rata share of the Net Settlement Fund, we intend to seek a Case Contribution Award for the Estate's representation of the Settlement Class. The court-approved Notice states that the Estate seeks a total combined Case Contribution Award of \$30,000.00 to compensate for the service as named plaintiffs and class representatives. This amount is based on the amount of time dedicated to the Litigation, as well as the expense, risk, and burden of serving as class representatives in the lawsuit, and a reasonable estimate of the time to be dedicated to the lawsuit through the final distribution of the Net Settlement Fund to Class Members. We believe that such an award is justified in this case.

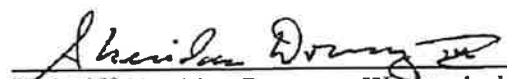
21. Neither we nor the Estate was promised any recovery or made any guarantees prior to filing this Litigation, nor at any time during the Litigation.

22. Based on these efforts and the benefits obtained for the Settlement Class, we submit that a Case Contribution Award is fair and reasonable as compensation for the time and expense incurred to obtain the \$1,500,000.00 settlement.

We declare under penalty of perjury that the foregoing is true and correct.

Executed on: January 15, 2025

  
Plaintiff Marvin B. Dinsmore, as administrator of  
the Estate of David D. Dinsmore

  
Plaintiff Sheridan Downey, III, as administrator of  
the Estate of David D. Dinsmore