

### ALLOCATION OF NET CLASS PAYMENT

1. The Net Class Payment will be allocated among Class Members based on three criteria: (a) each Class Member's percentage of the total volume of production from all wells of all Class Members, as adjusted herein; (b) the timing of production; and (c) whether the Class Member held a One-Eighth Lease or a Fixed/Flat Rate lease. The volumes used for allocation are actual volumes for the period 1998-2009 and estimated volumes for the period 1992-1997.
2. The volumes associated with One-Eighth Leases are weighted during certain time periods in arriving at each Class Member's relative percentage of the total volume of production. In particular, the volume of production under One-Eighth leases for the period February 1, 2000 through March 31, 2001, and April 1, 2002 through February 28, 2006, is weighted positively by 50%.
3. A simple illustration of the allocation method is as follows:

Assume for purposes of simple illustration only that there are three Class Members.

Class Member A had a One-Eighth Lease between 1995-99 that produced 1000 mcf during that time period; Class Member B had a One-Eighth Lease between 2003-05 that produced 1000 mcf during that time period; Class Member C had a Flat Rate Lease between 1993-2003 that produced 1000 mcf during that time. The total unadjusted volume in the class is 3000 mcf.

Class Member B is to have its volume weighted by 50% because its gas was produced under a One-Eighth Lease during the period described in Paragraph 2. Accordingly, for allocation of the Net Class Payment, Class Member A has 1000 mcf, Class Member B has 1500 mf, and Class Member C has 1000 mcf. The total volume as adjusted for allocation is 3500 mcf.

Class Member B is entitled to 42.86% of the Net Class Payment ( $1500 \text{ mcf} \div 3500 \text{ mcf}$ ); Class Member A is entitled to 28.57% of the Net Class Payment ( $1000 \text{ mcf} \div 3500 \text{ mf}$ ); and Class Member C is entitled to 28.57% of the Net Class Payment ( $1000 \text{ mcf} \div 3500 \text{ mcf}$ ).