

EXHIBIT 12

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

JOHN CECIL
on behalf of himself and all others
similarly situated.

Plaintiff

Civil Action No. 16-CV-00410-KEW

vs.

BP AMERICA PRODUCTION COMPANY
(f/k/a Amoco Production Company) (including
BP Amoco Corporation. ARCO. BP Exploration,
Inc.. BP Corporation North America, Inc., and
BP Energy Company).

Defendant

**DECLARATION OF STEVEN W. TAYLOR IN SUPPORT OF THE
SETTLEMENT AGREEMENT AND AWARD OF ATTORNEY FEES**

I, Steven W. Taylor, declare as follows:

1. I am a retired Chief Justice of the Supreme Court of Oklahoma. I served as Chief Justice and Justice on the Supreme Court for nearly 13 years from 2004 until 2017. Prior to that service I was Associate District Judge of Pittsburg County Oklahoma for 10 years (1984-1994) and Chief District Judge for the Eighteenth Judicial District of Oklahoma (Pittsburg and McIntosh Counties) for 10 years (1994-2004). During those 20 years as a trial judge, I presided over more than 500 jury trials and thousands of non-jury trials and motion hearings. I also had experience as a defense counsel, prosecutor and ultimately as a court martial trial judge in the United States Marine Corps (1974-1978) and private law practice in McAlester, Oklahoma (1978-1984).
2. I have been asked by Plaintiff's Counsel to review this case and render my opinion on the fairness of the Settlement Agreement and the reasonableness of the the attorney fee request made by Plaintiff's Counsel.
3. I have reviewed, among other things, the exhaustive and detailed Declaration of Steven S. Gensler filed in this case.
4. To cut to the chase, I will state my opinion at the beginning. I believe that the Settlement Agreement is reasonable and fair to all interested parties. Further, I believe that the requested attorney fee is reasonable compensation for the legal representation and resulting

benefits provided to the class of plaintiffs by this agreed disposition of the case.

5. For the 33 years that I was a Judge and Justice I have always had a very conservative view of all the issues surrounding class action litigation. It has been my professional, judicial and legal opinion that class action cases should be few and far between. Class action cases are certainly most worthy vehicles for the delivery of justice in the proper situation. As a Judge and Justice I have denied class certification in many cases over those 33 years, including in a related case to this case (*Watts v. Amoco Prod. Co. (now BP)*, No. C-2001-73 (Okla. Dist. Ct., Pittsburg County)). I have often written and ruled that class action litigation should be reserved for only those most appropriate cases. A review of my 33 year public judicial record will demonstrate my concerns. I have always reviewed class action issues with a very careful and conservative viewpoint and I apply that same standard to my review of this case.
6. There was a long, tedious and difficult journey to bring this case to be ripe for class certification for litigation purposes. I believe that this case is one of those unusual cases that would very likely require class certification for litigation purpose due to the circumstances. Class certification for litigation would very likely be required in this case to bring justice and resolution to the very real, valid and complicated multi-party claims. Substantial discovery, legal research, professional expertise and pre-trial litigation were required to bring this case to possible presentation of litigation class certification and ultimately to

settlement negotiation. Class certification for settlement purposes is, without any doubt, the proper course for this case.

7. The legal work and skills deployed by Plaintiff's Counsel in this case have been extraordinary. The record in this case demonstrates a long and difficult journey that required the best of legal strategy and determination. Years of legal work, millions of pages of document review and intense investigation and analysis have been accomplished in a way to make all of us proud of the legal profession in this high calling to represent individual citizens in their single and sometimes small claims against a major global corporation.
8. Only after all these monumental efforts by Plaintiff's Counsel did the defendant agree to enter into settlement negotiation. There would have been no settlement negotiation but for the skill, efforts and determination of the Plaintiff's Counsel. The settlement negotiation spanned over several months and resulted in the Settlement Agreement before this Court.
9. The Settlement Agreement is fair and reasonable and adequate. There are past, present and future benefits that are substantial. A \$147,000,000.00 cash payment will be made. Past and future changes in royalty payment schedules and practices have been made that will result in an additional future \$73,000,000.00 benefit to the class. There is a total \$220,000,000.00 benefit to the Class Members. All the result of historic lawyering done by Plaintiff's Counsel.

10. I concur with and join in Professor Gensler's analysis and conclusion that this settlement meets the four factors for consideration in approving a class action settlement proscribed by the Tenth Circuit. Ultimately it is the trial judge who has the very important discretion to apply those four factors in determining if the settlement is fair, reasonable and adequate.
11. I respectfully submit to this federal trial court that it is my opinion that this settlement meets the test and is fair, reasonable and is, in fact, more than adequate. I will not detail each of those four factors in relation to this settlement because, as I previously stated, I completely concur with and join Professor Gensler's analysis of those four factors as they relate to this case.
12. It is my firm opinion, without any reservation, that the requested attorney fee award to Plaintiff's Counsel is reasonable. I believe that a *percentage of the recovery* is the best method for determining an appropriate attorney fee in this case. In this case, the Plaintiff agreed that Plaintiff's Counsel would represent Plaintiff on a 40% contingency fee basis. In Oklahoma state court (of which I am very familiar) a 40% contingency fee in these type cases is very routine.
13. As I reviewed and considered all the factors in determining a proper attorney fee award, I kept coming back to the *results achieved* as my most important guide. The results achieved in this case are very significant in light of all the potential contested issues that loom over a possible battle over class certification for litigation purposes,

liability on the central issues of underpayment of royalty and the measure of damages.

14. Knowing that 40% was the negotiated fee with the Plaintiff and then applying arithmetic to the real recovery and *results achieved* numbers in this case lead me to be even stronger in my opinion that this attorney fee request is fair, reasonable and adequate. The fee request of 40% as to the \$147 million dollar up-front cash payment is certainly reasonable. But it becomes even more reasonable when that fee is measured against the total \$220 million benefit recovery in this case. When the fee request is applied against the total benefit recovery the attorney fee percentage drops to less than 27%. A 27% contingency fee in this case is more than fair, reasonable and adequate. These plaintiff's lawyers have done historically good work for their clients.
15. I respectfully recommend to this Honorable Court that the requested attorney fee award for Plaintiff's Counsel be approved.

I declare under penalty of perjury, pursuant to 28 U.S.C. 1746, that the foregoing is true and correct.



Steven W. Taylor

Executed on 2 October, 2018