ATTACHMENT 1

CLASS SETTLEMENT AGREEMENT AND EXHIBITS

AMENDED CLASS SETTLEMENT AGREEMENT

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Amended Class Settlement Agreement
effective June 18, 2013

AMENDED CLASS SETTLEMENT AGREEMENT

This Amended Class Settlement Agreement is entered into by Plaintiffs/Class Representatives[1] Philip Roeder, Anna Roeder, Lisa Lackore, Melissa Lackore (a minor by her parent and guardian, Lisa Lackore), Cole Lackore (a minor by his parent and guardian, Lisa Lackore), Suzanne Shape, Gregory Shape, Claudia Hayden, and Timothy Hayden, for themselves and the Members of the Settlement Classes, on the one hand, and Defendants Atlantic Richfield Company, a Delaware corporation, and BP America Inc., a Delaware corporation, on the other hand.

RECITALS

A. On February 14, 2011, the Plaintiffs/Class Representatives initiated the Litigation against the Defendants in the United States District Court for the District of Nevada. The Plaintiffs/Class Representatives alleged, on behalf of themselves and putative classes of residents and property owners in Lyon County, Nevada, that Releases attributable to Mining and Mineral Processing at the Mine Site had contaminated and continue to contaminate their properties and wells with Hazardous Materials, including but not limited to, arsenic and uranium. In addition, Plaintiffs/Class Representatives alleged that they and putative class members were and continue to be exposed to such Hazardous Materials. Plaintiffs/Class Representatives asserted, on behalf of themselves and putative class members, claims against the Defendants for nuisance, nuisance per se, trespass, strict liability, negligence, negligence per se, battery, unjust enrichment, fraudulent concealment and negligent misrepresentation. The relief they sought included, among other relief, property damages and medical monitoring.

[1] Capitalized words are defined terms set forth in Section I below.

B. Defendants moved to dismiss all but the nuisance, trespass and negligence claims. The Court granted the motion to dismiss the nuisance per se, negligence per se, unjust enrichment, fraudulent concealment, and negligent misrepresentation claims.

C. At the time the Settling Parties reached the agreement reflected in the Class Settlement Agreement, dated September 12, 2012, Fed. R. Civ. P. 26(a)(1) disclosures had been exchanged, discovery had commenced, experts had been retained, and publicly available information reviewed. In addition, the Court had entered a scheduling order setting dates for Plaintiffs/Class Representatives to file their motion for class certification, Defendants to file their opposition, and a hearing on class certification in February 2013 and had set a trial date in June 2013.

D. The Plaintiffs/Class Representatives and the Defendants acknowledge that the facts and law relevant to the claims and defenses at issue are contested and that continuing the Litigation presents risks to both sides and will require the dedication of substantial additional time and resources by both sides.

E. On February 25, 2013, the Plaintiffs/Class Representatives and the Defendants obtained the Court's preliminary approval of the Class Settlement Agreement, dated September 12, 2012. The Court also approved procedures and a period for settlement class notice and set a Fed. R. Civ. P. 23(e) Fairness Hearing for June 10, 2013, the date on which membership in the Settlement Classes would be closed.

F. At the conclusion of the settlement class notice period approved by the Court, the Plaintiffs/Class Representatives and the Defendants determined not to seek final approval of the Class Settlement Agreement, dated September 12, 2012. Instead, they requested the Court to change the June 10, 2013 Fairness Hearing to a status conference at which they would report on

their efforts to negotiate an amended class settlement agreement to address concerns raised during the settlement class notice period.

G. The Settling Parties have negotiated this Amended Class Settlement Agreement which revises and amends certain terms of the Class Settlement Agreement, dated September 12, 2012, pertaining only to putative Settlement Class Members who own Class Domestic Wells. The terms of the Class Settlement applicable to other Settlement Class Members have not changed.

H. Under these circumstances, the Plaintiffs/Class Representatives and the Defendants agree to compromise and settle the Litigation on the terms and conditions set forth herein.

NOW, THEREFORE, IT IS HEREBY STIPULATED AND AGREED by and among the Plaintiffs/Class Representatives (for themselves and the members of the Settlement Classes) and the Defendants, by and through their respective attorneys of record, that, subject to the approval of the Court, the Released Claims will be finally and fully compromised, settled and released, and all claims and causes of action alleged or that could have been alleged in the Litigation will be dismissed with prejudice, upon and subject to the terms and conditions as follows:

I. Defined Terms

"Agreed Motion" means the motion filed jointly by the Settling Parties on September 12, 2012 and granted by the Court on February 25, 2013.

"Amended Class Settlement Agreement" means this settlement agreement, effective June 18, 2013.

"Atlantic Richfield Company" or "Atlantic Richfield" means Defendant Atlantic Richfield Company, a Delaware corporation.

"BP America Inc." means Defendant BP America Inc., a Delaware corporation.

"City of Yerington" or "Yerington" means the area in Lyon County, Nevada near the Mine Site that is incorporated as the City of Yerington.

"City Water System" or "City of Yerington Water System" means the municipal water system (including but not limited to wells, treatment facilities, and water mains) owned and operated by the City of Yerington.

"Class Counsel" means, individually and collectively: KANNER & WHITELEY, L.L.C., Allan Kanner, Elizabeth B. Petersen, and David A. Pote, 701 Camp Street, New Orleans, Louisiana 70130, telephone: (504) 524-5777; JANET, JENNER & SUGGS LLC, Howard A. Janet, Robert K. Jenner, Kenneth M. Suggs, and Leah K. Barron, 1777 Reisterstown Road, Suite 165, Baltimore, Maryland 21208, telephone: (410) 653-3200; GERMAN RUBENSTEIN LLP, Joel Rubenstein and Steven J. German, 19 West 44th Street, Suite 1500, New York, New York 10036, telephone: (212) 307-2020; and ROBISON, BELAUSTEGUI, SHARP & LOW, Kent R. Robison and Kristen Martini, 71 Washington Street, Reno, Nevada 89503, telephone: (775) 329-3151.

"Class Domestic Well" means a private groundwater well located in the Settlement Class Area owned by a putative Member of the Property Damage Settlement Class that is authorized under N.R.S. § 534.180 and N.A.C. § 534.315 or is otherwise used or could be used for domestic supply purposes.

"Class Representatives," "Named Plaintiffs," "Plaintiffs," or "Plaintiffs/Class Representatives" mean, collectively, Philip Roeder, Anna Roeder, Lisa Lackore, individually and as parent and guardian of Melissa and Cole Lackore (minors), Melissa Lackore, Cole Lackore, Suzanne Shape, Gregory Shape, Claudia Hayden, and Timothy Hayden. All but Melissa

Lackore and Cole Lackore are Class Representatives for the Property Damage Settlement Class. All but Suzanne Shape and Timothy Hayden are Class Representatives for the Medical Monitoring Settlement Class.

"Class Settlement" means the agreements and commitments among the Settling Parties as set forth in this Amended Class Settlement Agreement and its exhibits, and the Second Agreed Motion and its attachments, and to the extent they are not modified by the Amended Class Settlement Agreement, the Agreed Motion and its attachments.

"Class Settlement Agreement" means the settlement agreement dated September 12, 2012.

"Class Settlement Claims Administrator" means Rust Consulting, Inc., 201 S. Lyndale, Faribault, MN 55021, the entity selected by the Settling Parties to administer the Class Settlement, including but not limited to, assistance with class notice, distribution and collection of form claim and release documents, verification of eligibility for receipt of settlement payments, claim processing, issuance of checks to eligible Members of the Settlement Classes, collection of executed environmental covenants and access agreements and related documents from Members of the Property Damage Settlement Class, recording of environmental covenants and access agreements, and other aspects of administering the Class Settlement.

"Complaint" means the Class Action Complaint filed in the Litigation on February 14, 2011, the Amended Class Action Complaint filed in the Litigation on February 17, 2011, and the Second Amended Class Action Complaint filed in the Litigation on December 16, 2011.

"Defendants" mean Atlantic Richfield Company and BP America Inc.

"Effective Date" means the first date on which all of the conditions and events specified in Paragraph X.B.2 below have been met or have occurred.

"Environmental Conditions" mean any adverse condition, impact, quality, quantity or other state of the land, soils, groundwater, surface water, drinking water, subsurface strata, indoor or outdoor air, buildings and other improvements, real or personal property, or water rights at the Mine Site or in the Settlement Class Area (whether temporary, intermittent or permanent) which arises out of, relates to or results from the Release of any Hazardous Materials attributable to Mining and Mineral Processing, Response Actions whether ordered or directed by a regulatory agency or undertaken on a voluntary basis, and/or the Settlement Water Right Application Process. "Environmental Conditions" do not include conditions arising out of, relating to or resulting from future mining operations performed at the Mine Site by persons or entities other than Defendants.

"Fairness Hearing" means the hearing required by Fed. R. Civ. P. 23(e) at which the Court will determine whether to make findings that the Class Settlement is fair, reasonable and adequate and enter an order finally approving the Class Settlement.

"Final" means: (a) in the event there is no objection under Fed. R. Civ. P. 23(e)(5) timely filed to this settlement, the date of entry of the Court's final judgment and final order dismissing Defendants; or (b) in the event such an objection is timely filed, but that objection is denied by the Court and there is no timely appeal filed and taken, thirty (30) days from the date of entry of the Court's final judgment and final order dismissing Defendants; or (c) in the event such an objection is timely filed, but that objection is denied by the Court and there is a timely appeal filed and taken: (i) the date of final affirmation by the United States Court of Appeals for the Ninth Circuit of the Court's final judgment and final order dismissing Defendants, together with expiration of the time for filing a petition for a writ of certiorari or a denial of such a petition; (ii) if certiorari is granted, following review pursuant to the grant of certiorari, the date of final

affirmation of the Court's final judgment and final order dismissing Defendants; or (iii) the date of dismissal of any appeal from the Court's final judgment and final order dismissing Defendants or the final dismissal or denial of any proceeding seeking review of the Court's final judgment and/or final order dismissing Defendants.

"Future City Water Service Area" means the area in which the City of Yerington had sought to extend its water distribution network to serve existing and future residences. This area is shown on Exhibit 2. The boundaries of this area differ from the boundaries of the Settlement Class Area.

"Hazardous Materials" " mean any hazardous substances, contaminants or pollutants (1) that (a) originate at, emanate from or are emitted from the Mine Site, (b) are transported, migrate or move from the Mine Site, or (c) are the subject of a present, past, continuing or ongoing Release or threatened Release from the Mine Site, and (2) that consist of (a) metals or radionuclides, including but not limited to, uranium, arsenic and other substances described in the Complaint, (b) any particulate matter, aerosols or dust, (c) any material that has a pH considered to be acidic or basic or that, after released to the environment, may have such a pH, or (d) any other substance, waste or material classified as hazardous or toxic within the meaning of 42 U.S.C. §§ 6903(5) or 9601(14), 40 C.F.R. §§ 261.3 or 302.4, or N.R.S. §§ 40.504, 459.429 or 459.430.

"Judgment" means the judgment to be entered by the Court, in the form attached hereto as Exhibit 11.

"Litigation" means this case, *Roeder v. Atlantic Richfield Co., et al.*, Case No. 3:11-cv-00105-RCJ-WGC, United States District Court, District of Nevada.

"Medical Monitoring Settlement Class," for purposes of settlement only, means natural persons who, on or after February 14, 2011 and up to and including June 10, 2013, were or are legal residents of the Settlement Class Area excluding residents of parcels owned by the United States Department of the Interior – Bureau of Land Management, any other local, state or federal governmental agency or instrumentality, Defendants or any of their current employees, and Peri & Sons Farms, Inc. (d/b/a Desert Pearl Farms LLC).

"Medical Monitoring Settlement Class Member," for purposes of settlement only, means a natural person who falls within the definition of the Medical Monitoring Settlement Class and who does not timely exclude himself or herself from the Medical Monitoring Settlement Class.

"Member" or "Class Member," for purposes of settlement only, means a Person who falls within the definition of the Medical Monitoring Settlement Class, the Property Damage Settlement Class or both Settlement Classes and who does not timely exclude himself, herself or itself from the applicable Settlement Class.

"Mine Site" means the approximately 3,000 acres of private and federal public lands in Mason Valley, Lyon County, Nevada, approximately two miles west of the City of Yerington, directly off Highway 95, and including portions of several sections in Township 13N, Range 25E (Mount Diablo Baseline and Meridian), as shown on the map attached as Exhibit 3.

"Mining and Mineral Processing" means any and all operations and activities at the Mine Site and in areas adjacent thereto, including but not limited to, the Wabuska Drain and the Walker River, at any time prior to the Effective Date, including but not limited to, exploration, drilling, mining, processing, crushing, beneficiation, concentrating, refining, acid leaching, precipitating, processing on lined and unlined dumps, heap leach pads or in leach vats, storing, using, handling, spilling, leaking, releasing, emitting, cleaning up spills and leaks of, treating,

transporting to, from or at the Mine Site of, arranging for the storage, transport or disposal of, disposing of, ores, chemicals, explosives and other materials used to extract or process ores, processed products, byproducts, and/or wastes, and all other activities and operations in support thereof or attendant thereto.

"NDWR" means the Nevada Division of Water Resources.

"Person" means an individual, corporation, partnership, limited partnership, association, joint stock company, estate, legal representative, trust, unincorporated association, limited liability company, limited liability partnership, and any business or legal entity, as well as any spouse, present or past heir, predecessor, successor, director, officer, principal, employee, representative, member, agent, or assignee of any of the foregoing.

"Preliminary Approval Order" means the order entered by the Court on February 25, 2013.

"Property Damage Settlement Class," for purposes of settlement only, means (i) Persons who, on or after February 14, 2011 and up to and including June 10, 2013, owned or own real property within the Settlement Class Area but do not own a Class Domestic Well on the date of final Court approval of the Class Settlement, and (ii) Persons who, on the date of final Court approval of the Class Settlement, own real property in the Settlement Class Area on which a Class Domestic Well is located. This definition excludes the United States Department of the Interior – Bureau of Land Management, any other local, state or federal governmental agency or instrumentality, Defendants or any of their current employees, and Peri & Sons Farms, Inc. (d/b/a Desert Pearl Farms LLC).

"Property Damage Settlement Class Member," for purposes of settlement only, means a Person who falls within the definition of the Property Damage Settlement Class and who does not timely exclude himself, herself or itself from the Property Damage Settlement Class.

"Release" means any action or event defined as a "release" by 42 U.S.C. § 9601(22) or N.R.S. § 40.505 or as a "disposal" by 42 U.S.C. §6903(3) or N.R.S. § 459.425.

"Released Claims" mean any and all claims, assertions of liability, administrative actions, suits, promises, representations, demands for costs, expenses, interest, attorneys fees, contribution, reimbursement, unjust enrichment, indemnity or damages (actual or exemplary), causes of action, and claims for abatement, remediation, cleanup or medical monitoring, whether equitable or legal, known or unknown (including Unknown Claims), whether direct, representative or in any other capacity, arising under federal or state common law, the Comprehensive Environmental Response Compensation and Liability Act, 42 U.S.C. §§ 9601, *et seq.*, ("CERCLA"), the Resource Conservation and Recovery Act, 42 U.S.C. §§ 6901, *et seq.* ("RCRA"), the Federal Water Pollution Control Act, 33 U.S.C. §§ 1251, *et seq*. ("CWA"), the Safe Drinking Water Act, 42 U.S.C. §§ 300f, *et seq*., ("SDWA"), any Nevada state statutes analogous to CERCLA, RCRA, the CWA or the SDWA, any other federal, state or local law, statute, ordinance, rule or regulation, or any other law, statute, ordinance, rule or regulation, that were or could have been alleged in the Complaint and are based on or arise from, in whole or in part:

1. Mining and Mineral Processing and any duties that may arise or be owed in connection with Mining and Mineral Processing;

2. Response Actions and any duties that may arise or be owed in connection with Response Actions;

3. Environmental Conditions at, in, on or under the Mine Site or the Settlement Class Area that existed prior to, exist on or continue to exist after the Effective Date; and/or

4. The presence of Hazardous Materials at, in, on or under the Mine Site or the Settlement Class Area prior to, on or continuing after the Effective Date.

Released Claims, however, do not include claims for personal injury, claims for damage to a property arising out of the negligence of Defendants, their contractors or agents in performing Response Actions on that property, or the right of any Member of a Settlement Class to receive any benefit specified in the Amended Class Settlement Agreement for which he, she or it is eligible.

"Released Parties" mean Atlantic Richfield Company, BP America Inc., and all of their predecessors, successors, assigns, transferees, parents, subsidiaries, associates, affiliates, divisions, officers, directors, managing directors, employees, shareholders, partners, principals, members, consultants, contractors, agents, insurers, servants, attorneys, accountants, financial and other advisors, investment bankers, underwriters, lenders, trusts, trustees, and any representatives of any of these persons or entities.

"Releasing Parties" mean the Plaintiffs/Class Representatives and any or all Members of one or both Settlement Classes and all of their spouses, heirs, executors, estates, administrators, predecessors, successors, assigns, transferees, parents, subsidiaries, associates, affiliates, divisions, officers, directors, managing directors, employees, shareholders, partners, principals, members, consultants, contractors, agents, insurers, servants, attorneys, underwriters, lenders, trusts, trustees, and any representatives of any of these persons and entities, and/or any Person,

legal entity or organization asserting any right, claim, privilege or interest by or through any Releasing Parties.

"Response Actions" mean the activities performed or that may be performed by one or more of the Released Parties (including their contractors and agents) or any federal or state agency (including their contractors and agents) under the direction or approval of the United States Environmental Protection Agency, the Nevada Department of Conservation and Natural Resources, Division of Environmental Protection or any other regulatory agency with jurisdiction over Defendants and Environmental Conditions at the Mine Site or in the Settlement Class Area as part of any past, ongoing or future investigations or other actions under federal or state law, whether interim or final, including but not limited to, investigation, response, reclamation, removal, remedy operation and maintenance, and other activities concerning Mining and Mineral Processing, Environmental Conditions, or Hazardous Materials at the Mine Site and any area surrounding, adjacent to or in the vicinity of or otherwise susceptible to possible impacts due to Releases from the Mine Site, including but not limited to, the Settlement Class Area.

"Second Agreed Motion" means the motion to be filed jointly by the Settling Parties seeking, among other things, confirmation of the February 25, 2013 order insofar as it applies to Members of the Medical Monitoring Settlement Class and Members of the Property Damage Settlement Class who are not owners of Class Domestic Wells on the date of final approval of the Class Settlement, preliminary approval of the Amended Class Settlement Agreement, approval of notices to owners of Class Domestic Wells eligible to be Members of the Property Damage Settlement Class, and setting of the hearing for final approval of the Class Settlement.

"Settlement Classes," for purposes of settlement only, mean the Property Damage Settlement Class and the Medical Monitoring Settlement Class.

"Settlement Class Area," for purposes of settlement only, means the area within the boundaries shown on the map attached as Exhibit 1. Parcels within the boundaries of the Settlement Class Area owned by the United States Department of the Interior – Bureau of Land Management or any other local, state or federal governmental agency or instrumentality are excluded from the Class Settlement. Parcels owned by Defendants, any of their current employees, or Peri & Sons Farms, Inc. (d/b/a Desert Pearl Farms LLC) are also excluded from the Class Settlement.

"Settlement Water Right Application Process" means the process described in Paragraphs V.D.3 and 4 for Members of the Property Damage Settlement Class who own Class Domestic Wells and who seek in connection with this Class Settlement a state-law permit to withdraw groundwater from their well for Quasi-Municipal Use (limited to the exterior demands of a domestic well as described in NRS §534.013) after construction of the extension of the City Water System described in Paragraph IV.A.1.

"Settling Parties" mean, collectively, Atlantic Richfield and BP America and the Plaintiffs/Class Representatives, on behalf of themselves and any and all Members of one or both Settlement Classes.

"Subareas," for settlement purposes only, mean the three areas within the Settlement Class Area for each of which there is a separate formula to calculate settlement payments for the Property Damage Settlement Class, specifically the Tier 1 Subarea, the Tier 2 Subarea, and the Penrose Estates and Grand Estates Subdivisions Subarea, all as shown on the map attached as Exhibit 1.

"Supplemental Preliminary Approval Order" means the order to be entered by the Court approving the Amended Class Settlement Agreement and directing notice to putative Members of the Property Damage Settlement Class who own real property in the Settlement Class Area on which a Class Domestic Well is located, in the form attached hereto as Exhibit 8A.

"Supplemental Settlement Class Notice Period" means the period beginning on the date the Court enters the Supplemental Preliminary Approval Order and continuing through the date sixty (60) days after the Class Settlement Claims Administrator mails individual notice of the Amended Class Settlement Agreement to putative Members of the Property Damage Settlement Class who own real property in the Settlement Class Area on which a Class Domestic Well is located.

"Unknown Claims" mean any and all possible claims, assertions of liability, administrative actions, suits, promises, representations, demands for costs, expenses, interest, attorney fees, contribution, reimbursement, indemnity or damages (actual or exemplary), causes of action, and claims for abatement, remediation or cleanup, whether equitable or legal, whether direct, representative or in any other capacity, arising under federal or state common law, CERCLA, RCRA, the CWA, the SDWA, any Nevada state statutes analogous to CERCLA, RCRA, the CWA or the SDWA, or any other federal, state or local law, statute, ordinance, rule or regulation, or any other law, statute, ordinance, rule or regulation, that were or could have been alleged in the Complaint, excluding personal injury claims and as otherwise excepted herein, and are based on or arise from, in whole or in part: (i) Mining and Mineral Processing, (ii) Response Actions, (iii) Environmental Conditions at, in, on or under the Mine Site or the Settlement Class Area, and (iv) the presence of Hazardous Materials at, in, on or under the Mine Site or the Settlement Class Area, that may have arisen prior to the Effective Date and that the

Plaintiffs/Class Representatives, any or all Members of one or both Settlement Classes, and any or all other Persons whose claims are being released do not know or suspect exist, which if known by him, her, or it, might affect his, her or its agreement to release the Released Parties and the Released Claims, or might affect his, her or its decision to object or not to object to the Class Settlement.

II. Certification of Settlement Classes

For purposes of settlement only, the Settling Parties have agreed to the certification of two Settlement Classes, one for property damage (the Property Damage Settlement Class) and one for medical monitoring (the Medical Monitoring Settlement Class), and the boundaries of a Settlement Class Area. If the Class Settlement is not finally approved by the Court, or in the event this Amended Class Settlement Agreement is otherwise terminated or cancelled, then Defendants reserve the right to contest certification of any class and/or subclass as well as designation of any class area.

A. Settlement Class Area

1. For purposes of settlement only, the Settling Parties agree that the Settlement Class Area's geographic boundaries will include the putative class area described in the Plaintiffs' Second Amended Complaint but will be modified to include certain properties (North Sunset Hills) immediately north of Paiute Drive and exclude certain properties contiguous with and to the south of the northeastern boundary of the putative class area as set forth in the Second Amended Complaint. The boundaries of the Settlement Class Area are shown on the map attached as Exhibit 1.

2. Based on the Lyon County, Nevada real property records, the geographic boundaries of the Settlement Class Area are believed to encompass an estimated 578 real

property parcels. Approximately 296 of these parcels are private residential properties, and up to 177 of the homes on these parcels are known to have a domestic water supply provided by a Class Domestic Well. Homes on the remainder of the residential parcels are connected to and served by the City of Yerington Water System. The Settlement Class Area also includes some agricultural and commercial parcels and residential lots that are vacant or only have non-residential structures. Approximately nine vacant parcels with, at most, only non-residential structures are believed to have a Class Domestic Well. Thus, a total of 186 Class Domestic Wells are believed to be located in the Settlement Class Area.

3. Parcels owned by the United States Department of the Interior – Bureau of Land Management or any other local, state or federal government agency or instrumentality located within the Settlement Class Area are excluded from the Class Settlement.

4. Parcels owned by Defendants or any of their current employees and parcels owned by Peri & Sons Farms, Inc. (d/b/a Desert Pearl Farms LLC) located within the Settlement Class Area are excluded from the Class Settlement.

B. Settlement Classes

1. For purposes of settlement only, the Settling Parties agree that the Property Damage Settlement Class will consist of (i) Persons who, on or after February 14, 2011 and up to and including June 10, 2013, owned or own real property within the Settlement Class Area but do not own a Class Domestic Well on the date of final Court approval of the Class Settlement, and (ii) Persons, who on the date of final Court approval of the Class Settlement, own real property within the Settlement Class Area on which a Class Domestic Well is located. However, the United States Department of the Interior – Bureau of Land Management, any other local, state or federal government agency or instrumentality, Defendants or any of their current

employees, and Peri & Sons Farms, Inc. (d/b/a Desert Pearl Farms LLC) are all excluded from the Property Damage Settlement Class.

2. For purposes of settlement only, the Settling Parties agree that the Medical Monitoring Settlement Class will consist of natural persons who, on or after February 14, 2011 and up to and including June 10, 2013, were or are legal residents of the Settlement Class Area. However, legal residents of parcels owned by the United States Department of the Interior – Bureau of Land Management, any other local, state or federal government agency or instrumentality, Defendants or any of their current employees, and Peri & Sons Farms, Inc. (d/b/a Desert Pearl Farms LLC) are all excluded from the Medical Monitoring Settlement Class.

III. Settlement Payments to Members of the Settlement Classes

A. Settlement Payments to Property Damage Settlement Class Members

1. In return for the consideration set forth herein, including but not limited to, an environmental covenant and access agreement described in Paragraphs V.B.3(a) and V.C.3(a) and the releases described in Section VI, and assuming one hundred percent (100%) participation, the Defendants agree to make total settlement payments in an amount not to exceed $6,283,000 to the Property Damage Settlement Class. The Settling Parties agree that the specific payment made for each parcel in the Settlement Class Area is to be calculated based upon the Settlement Class Area Subarea in which a parcel is located and the payment allocation and adjustment formulas for that Subarea as described below in Paragraph III.A.3.a, Paragraph III.A.3.b, and Paragraph III.A.3.d through Paragraph III.A.3.g. The Settling Parties further agree that the specific payment made for a Class Domestic Well is to be calculated based on: (i) whether the well is to be abandoned under the Class Settlement or included in the Settlement Water Right Application Process and (ii) the payment allocation and adjustment

formulas for Class Domestic Wells as described below in Paragraph III.A.3.c and Paragraph III.A.3.e through Paragraph III.A.3.h. In addition, the Settling Parties agree that the location, acreage and ownership of each parcel and the existence of a Class Domestic Well on a parcel are all subject to verification based upon the Settlement Class Area and Subarea boundaries shown in Exhibit 1, and the claims administration process.

2. For purposes of calculating settlement payments to real property owners who are Property Damage Settlement Class Members, the Settling Parties have identified three Subareas within the Settlement Class Area. These Subareas are:

a. the Tier 1 Subarea;

b. the Tier 2 Subarea; and

c. the Penrose Estates and Grand Estates Subdivisions Subarea.

The boundaries of each Subarea are shown on Exhibit 1. The Penrose Estates and the Grand Estates Subdivisions are excluded from the Tier 2 Subarea.

3. Formulas for allocation of settlement payments to the Property Damage Settlement Class Members are:

a. **Tier 1 Subarea.** The Settling Parties have agreed to a base settlement amount of $1,500 per acre. The base settlement amount is premised on an estimate that the Tier 1 Subarea includes 650 acres, which would result in a total collective Tier 1 Subarea payment of $975,000 (650 acres x $1,500). The base settlement amount may be adjusted as described below during the claims administration process; provided, however, the total collective Tier 1 Subarea payment will not exceed $975,000. The Tier 1 Subarea settlement payments will be made on a per parcel basis (*i.e.*, one payment per parcel regardless of the number of owners of record title to a parcel during the period beginning on February 14, 2011 and ending on either

June 10, 2013 for Persons who do not own Class Domestic Wells, or the date of final Court approval of the Class Settlement for Persons who own Class Domestic Wells). The total Tier 1 Subarea acreage, the acreage of individual parcels within the Tier 1 Subarea, record title ownership, and time of record title ownership are all subject to verification through the claims administration process.

b. **Tier 2 Subarea.** The Settling Parties have agreed to a base settlement amount of $400 per acre. The base settlement amount is premised on an estimate that the Tier 2 Subarea includes 2,540 acres which would result in a total collective Tier 2 Subarea payment of $1,016,000 (2,540 acres x $400). The base settlement amount may be adjusted as described below during the claims administration process; provided, however, the total collective Tier 2 Subarea payment will not exceed $1,016,000. The Tier 2 Subarea settlement payments will be made on a per parcel basis (*i.e.*, one payment per parcel regardless of the number of owners of record title to a parcel during the period beginning on February 14, 2011 and ending on either June 10, 2013 for Persons who do not own Class Domestic Wells, or the date of final Court approval of the Class Settlement for Persons who own Class Domestic Wells). The total Tier 2 Subarea acreage, the acreage of individual parcels within the Tier 2 Subarea, record title ownership and time of record title ownership are all subject to verification through the claims administration process.

c. **Class Domestic Wells.** For owners of Class Domestic Wells within the Tier 1 and Tier 2 Subareas on the date of final Court approval of the Class Settlement who agree to abandon their wells as part of the Class Settlement, the Settling Parties have agreed to a single, separate and additional base settlement amount of $22,000 per well (*i.e.*, one payment per well regardless of the number of owners of record title to a well on the date of final Court

approval of the Class Settlement). For owners of Class Domestic Wells within the Tier 1 and Tier 2 subareas on the date of final Court approval of the Class Settlement who do not abandon their wells as part of the Class Settlement and instead participate in the Settlement Water Right Application Process, the Settling Parties have agreed to a single, separate and additional base settlement payment of $17,000 per well (i.e., one payment per well regardless of the number of owners of record title to a well on the date of final Court approval of the Class Settlement). The base settlement amounts are premised on an estimate that approximately 186 Class Domestic Wells are present within the Tier 1 and Tier 2 Subareas of the Settlement Class Area and that the total collective payment for such wells will not exceed $4,092,000 (186 wells x $22,000) if all well owners agree to abandon their wells as part of the Class Settlement. The base settlement amount may be adjusted as described below during the claims administration process; provided, however, the total collective payment for such wells will not exceed $4,092,000. The total number of such wells within the Tier 1 and Tier 2 Subareas of the Settlement Class Area, the use and status of each such well as a Class Domestic Well, the disposition under this settlement of each such well, and record title ownership of each such well are all subject to verification through the claims administration process.

d. **Penrose Estates and Grand Estates Subdivisions.**

i. For each real property parcel within the Penrose Estates and Grand Estates Subdivisions Subarea that is a developed residential parcel (*i.e.*, a residence on the lot) and is served by the City Water System, the Settling Parties have agreed to a base settlement amount of $1,000 per parcel. The base settlement amount is premised on an estimate that there are 115 developed residential parcels within these two subdivisions that are presently served by the City Water System and that the total collective Penrose Estates and Grand Estates

Subdivisions Subarea developed residential parcel payment will be $115,000 (115 parcels x $1,000). The base settlement amount may be adjusted as described below during the claims administration process; provided, however, the total collective developed residential parcel payment will not exceed $115,000. Payments will be made on a per parcel basis (*i.e.*, one payment per parcel regardless of the number of owners of record title to a parcel during the period beginning on February 14, 2011 and ending on June 10, 2013). The total number of developed residential parcels in these two subdivisions, record title ownership of each of these parcels, and time of record title ownership are all subject to verification through the claims administration process.

ii. For each real property parcel within the Penrose Estates and Grand Estates Subdivisions Subarea that is an undeveloped residential parcel (*i.e.*, vacant lot) and is presently entitled, upon development, for connection to the City Water System, the Settling Parties have agreed to a base settlement amount of $500 per parcel. The base settlement amount is premised on an estimate that there are 170 undeveloped residential parcels within these two subdivisions and that the total collective Penrose Estates and Grand Estates Subdivisions Subarea undeveloped residential parcel payment will be $85,000 (170 parcels x $500). The base settlement amount may be adjusted as described below during the claims administration process; provided, however, the total collective undeveloped residential parcel payment will not exceed $85,000. Payments will be made on a per parcel basis (*i.e.*, one payment per parcel regardless of the number of owners of record title to a parcel during the period beginning on February 14, 2011 and ending on June 10, 2013). The total number of undeveloped residential parcels in these two subdivisions, record title ownership of each of these

parcels, and time of record title ownership are all subject to verification through the claims administration process.

iii. Although the properties described in Paragraph III.A.3.d.i and Paragraph III.A.3.d.ii may appear from Exhibit 1 to be within the Tier 2 Subarea, the owners of record title of these properties are not eligible for and will not receive a Paragraph III.A.3.b payment in addition to the payment described in Paragraph III.A.3.d.i or Paragraph III.A.3.d.ii as each Subarea is intended to be mutually exclusive.

e. During administration of the Class Settlement, the base per parcel or per well settlement amount in each Subarea will be adjusted (either up or down) as described herein to reflect differences identified during claim verification between the actual and the estimated numbers of acres and/or wells in Subareas Tier 1 and Tier 2, the actual and the estimated numbers of developed residential parcels in the Penrose Estates and Grand Estates Subdivisions Subarea, and/or the actual and the estimated numbers of undeveloped residential parcels in the Penrose Estates and Grand Estates Subdivisions Subarea. These per parcel or per well adjustments will not result in an actual total collective payment for any Subarea or the Class Domestic Wells that is greater than the maximum total collective payment amount set forth for that Subarea or the Class Domestic Wells in Paragraph III.A.3.a through Paragraph III.A.3.d. The Class Settlement Claims Administrator will calculate any such adjustments for review and approval by the Settling Parties. The Class Settlement Claims Administrator will not implement any adjustment without the Settling Parties' express written approval.

f. The maximum amount Defendants could pay directly to Property Damage Settlement Class Members to settle their claims is $6,283,000 (assuming all parcel and Class Domestic Well owners in the Settlement Class Area as of the date of final Court approval

of the Class Settlement actually participate and all Class Domestic Well owners agree to abandon their wells). The possible maximum amount will be reduced, as described below, for opt outs and Class Domestic Wells that are not abandoned under the Class Settlement.

g. During administration of the Class Settlement, the estimated total collective payment amounts for each Subarea and for the Class Domestic Wells will be reduced to account for any opt-outs as follows:

i. The Class Settlement Claims Administrator will first make the per acre, per parcel or per well adjustments described in Paragraph III.A.3.e and will then calculate, as if no Person had opted out of the Property Damage Settlement Class, a total collective settlement payment amount for each of the three Subareas and for the Class Domestic Wells, assuming that all well owners are abandoning their wells under the Class Settlement.

ii. Then, for each Subarea and for the Class Domestic Wells, the Class Settlement Claims Administrator will (1) calculate the total amount that would have been paid to all Persons in that Subarea, who opt out of the Property Damage Settlement Class, (2) calculate the total amount of well payments that would have been paid to opting out Class Domestic Well owners if they had abandoned their wells under the Class Settlement instead of opting out, and (3) subtract the applicable opt-out total amount from each of the total collective settlement payment amounts calculated above in Paragraph III.A.3.g.i.

h. Before the Class Settlement Claims Administrator distributes the remainder of the total collective settlement payment amount for Class Domestic Wells calculated in Paragraph III.A.3.g.ii above, a further reduction will be made to account for any Class Domestic Wells owned by Members of the Property Damage Settlement Class that will not be abandoned under the Class Settlement. The Class Settlement Claims Administrator will subtract

from the Class Domestic Well total collective settlement payment amount calculated in Paragraph III.A.3.g.ii an amount determined by multiplying the number of Class Domestic Wells owned by Members of the Property Damage Settlement Class participating in the Settlement Water Right Application Process by $5,000.

i. After making the reductions described in Paragraph III.A.3.g and Paragraph III.A.3.h above, the Class Settlement Claims Administrator will distribute the remainder of the total collective settlement payment amount on a per acre, per parcel or per well basis in accordance with the formulas set forth in Paragraph III.A.3.a through Paragraph III.A.3.d to the Property Damage Settlement Class Members in that Subarea or the Class Domestic Well owners.

4. To the extent record title ownership of a parcel in the Settlement Class Area has changed during the period from February 14, 2011 up to and including June 10, 2013, (or the date of final Court approval of the Class Settlement for parcels with a Class Domestic Well), the Settling Parties agree that an appropriate allocation of the settlement payment for each such parcel among current and prior owners who are each eligible to be Property Damage Settlement Class Members is to pay each an equal share of the total settlement payment for the parcel. However, in the event of such a change in record title for a parcel with a Class Domestic Well, the entire Class Domestic Well payment amount will be paid to the Property Damage Settlement Class Member who is (or Members who, collectively, are) the record title owner on the date of final Court approval of the Class Settlement.

5. To the extent there are multiple owners of record title at the same time for a parcel and/or Class Domestic Well in the Settlement Class Area, a single settlement payment for the parcel and/or well will be issued to all of them as a group. Any subsequent allocation of

that payment among them will be for them to determine and will not be determined in the claims administration process.

B. Settlement Payments to Medical Monitoring Settlement Class Members

1. In return for the consideration set forth herein, including but not limited to, the releases described in Section VI, the Defendants agree to provide a fund not to exceed $900,000 for settlement of all medical monitoring claims as alleged in the Litigation.

2. The Settling Parties agree to distribution of the medical monitoring settlement fund on a per capita basis to those natural persons who establish membership in the Medical Monitoring Settlement Class through the claims administration process. Membership in the Medical Monitoring Settlement Class will be based upon proof of legal residency in the Settlement Class Area at some time during the period beginning on February 14, 2011 and ending on June 10, 2013. The Settling Parties anticipate that the Medical Monitoring Settlement Class will consist of 1,000 Members or less and that each Member of that class would therefore receive approximately $900. However, in no event will the maximum payment to a Member of the Medical Monitoring Settlement Class exceed $1,000.

3. If, at the conclusion of the claims administration process, any portion of the Medical Monitoring Settlement Class fund has not been distributed, then the Settling Parties agree that the remaining funds will be returned to Defendants.

IV. Defendants' Commitments Regarding Extension of City of Yerington Water System and Class Domestic Wells

In return for the consideration set forth herein, including but not limited to, the environmental covenant and access agreements described in Paragraphs V.B.3(a) and V.C.3(a) and the releases described in Section VI, the Defendants agree to the following:

A. Funding Extension of City of Yerington Water System

1. Defendants agree to provide funds to the City of Yerington based on the City's actual costs incurred for design and construction to extend the City Water System for residences located within the portions of the Tier 1 and Tier 2 Subareas of the Settlement Class Area that are included within the City of Yerington Future City Water Service Area. The Future City Water Service Area is shown on Exhibit 2. A portion of the Tier 2 Subarea of the Settlement Class Area is not included in the Future City Water Service Area (shown by hatching on Exhibit 2), and no funding is being provided for any extension of the City Water System to that area. In addition, no funding is being provided for any extension of the City Water System in the Penrose Estates and Grand Estates Subdivisions Subarea, as those areas are already served by the City Water System.

2. The Defendants also agree to fund construction of all piping, meter placement and connection to the City Water System for Property Damage Settlement Class Members' residences within the portions of the Tier 1 and Tier 2 Subareas of the Settlement Class Area that are included within the Future City Water Service Area and that, as of February 14, 2011, were served by a Class Domestic Well on the property. Said equipment will include all infrastructure required to connect a residence to the City Water System. For well owners who abandon their Class Domestic Wells, Defendants will fund the costs of abandonment; provided that abandonment occurs under the Class Settlement at the time the residence is connected to the City Water System. The work activities described in Paragraph IV.A.1 and Paragraph IV.A.2 must be approved by City Council and are estimated to cost $6.5 million to $12.5 million.

3. For vacant lots located within the portions of the Tier 1 and Tier 2 Subareas of the Settlement Class Area that are included within the Future City Water Service Area and that, as of February 14, 2011, were platted into individual single family residential lots,

Defendants agree to establish a trust fund with the City of Yerington for the purpose of pre-paying only tap fees for thirty-five (35) future connections to the City Water System to be applied at the time a future residence is constructed and connected to the City Water System. However, no funding is being provided for construction of any piping, meter placement and connection of a future residence to the City Water System. In addition, no funding is being provided for any tap fees for connections to the City Water System for vacant lots located in the Penrose Estates and Grand Estates Subdivisions Subarea. For owners of vacant lots with Class Domestic Wells who abandon their wells under the Class Settlement, Defendants will fund the costs of abandonment; provided that abandonment occurs during the period that the extension of the City Water System described in Paragraph IV.A.1 is being constructed.

4. Defendants may, with EPA's approval, discontinue deliveries of bottled water and sampling and monitoring of Class Domestic Wells once the City Water System service is available for connection to residences within the portions of the Settlement Class Area included within the Future City Water Service Area. However, Defendant Atlantic Richfield agrees to continue deliveries of bottled water and sampling and monitoring of Class Domestic Wells owned by Property Damage Settlement Class Members, until such time as a Property Damage Settlement Class Member's residence is actually connected to the City Water System.

B. Funding for Settlement Water Right Application Process

1. Defendants agree to use their best efforts to purchase or acquire, on terms Defendants, in their sole discretion, consider to be commercially reasonable terms, water rights that are acceptable to, and determined to be sufficient by, the NDWR to support the individual water right permit applications to be made under the Settlement Water Right Application Process. At the conclusion of the Settlement Water Right Application Process, any portion of a

water right acquired by Defendants that is not committed to support a water right permit application for specific Class Domestic Wells will be retained by Defendants.

2. In addition, Defendants will pay the following expenses associated with the Settlement Water Right Application Process:

a. Any costs, fees or other expenses, including broker's commissions, to acquire water rights to support the Settlement Water Right Application Process.

b. Costs for one totalizing meter per Class Domestic Well if such a meter is required to implement any NDWR determination on individual well permit applications filed under the Settlement Water Right Application Process and costs for allocation and/or transfer of a water right to an individual Property Damage Settlement Class Member owning a Class Domestic Well and participating in the Settlement Water Right Application Process.

c. The NDWR application fees (estimated to be $360 per application).

d. The engineering fees and costs to support preparation of each individual water right permit application and a single historic use/quantification map of such domestic wells which will support all applications submitted to the NDWR under the Settlement Water Right Application Process.

3. Other than the attorney fees and litigation expenses described in Section IX, below, Defendants will not pay any attorney's fees or costs to support preparation of the individual water right permit applications or oversight or completion of the Settlement Water Right Application Process.

V. Commitments by Members of the Settlement Classes

A. Commitments by Members of the Property Damage Settlement Class Presently Served by the City Water System (Penrose Estates and Grand Estates Subdivisions Subarea)

1. Prior to receiving any payments or other benefits of the Class Settlement, these Members of the Property Damage Settlement Class agree to execute and deliver to the Class Settlement Claims Administrator a proof of claim and release in the form attached as Exhibit 4.

B. Commitments by Members of the Property Damage Settlement Class Owning Residences Served by Class Domestic Wells

1. Members of the Property Damage Settlement Class owning residences within the portions of the Tier 1 and Tier 2 Subareas of the Settlement Class Area that are included within the Future City Water Service Area and that, as of February 14, 2011, were served by a Class Domestic Well on the property agree to connect their residences to the City Water System. Such Settlement Class Members also agree to cooperate and provide access to their property, without requiring any additional payment, for installation of City Water System components and completion of the connection to the City Water System. Such Settlement Class Members further agree to abide by the requirements applicable to receipt of service from the City Water System.

2. After commencement of City Water System service to a Property Damage Settlement Class Member's property, all costs for City of Yerington water service on that property will be the financial responsibility of and be borne by that Settlement Class Member and/or his/her/its successors and assigns.

3. Prior to receiving any payments or other benefits of the Class Settlement, these Members of the Property Damage Settlement Class also agree to execute and deliver to the

Class Settlement Claims Administrator during the Supplemental Settlement Class Notice Period the following documents:

a. For owners on the date of final Court approval of the Class Settlement, an environmental covenant and access agreement, binding upon the Property Damage Settlement Class Member and his/her/its successors and assigns to be recorded in the Lyon County, Nevada real property records that: (i) provides notice of the Class Settlement; (ii) restricts future use of groundwater in accordance with either a well abandonment form submitted by the Property Damage Settlement Class Member with the executed environmental covenant and access agreement or a water right permit issued by NDWR to the Property Damage Settlement Class Member under the Settlement Water Right Application Process; (iii) commits to connect to the City Water System and permits access to his, her or its property within the Settlement Class Area by the City of Yerington and its contractors for installation of City Water System components, completion of the connection to the City Water System, and, as applicable, plugging and abandonment or disconnection from the residence of any Class Domestic Well on the property; and (iv) permits access to his, her or its property within the Settlement Class Area by Atlantic Richfield Company, the State of Nevada Department of Conservation and Natural Resources, Division of Environmental Protection and the U.S. Environmental Protection Agency for sampling, monitoring or other investigations that may be required on a Property Damage Settlement Class Member's real property as part of any ongoing or future investigations or other actions under federal or state law. Forms of this environmental covenant and access agreement are attached as Exhibit 5 (abandon) and Exhibit 5A (water right permit application).

b. For owners on the date of final Court approval of the Class Settlement, either:

i. a well abandonment form covering the Class Domestic Well if the Property Damage Settlement Class Member chooses to abandon such a well when his/her/its residence is connected to the City Water System. A form of this document is attached as Exhibit 7; or

ii. a water right permit application form covering the Class Domestic Well if the Property Damage Settlement Class Member seeks an individual water right permit for Quasi-Municipal Use (limited to the exterior demands of a domestic well as described in NRS §534.013), commensurate with historic use of that well under the Settlement Water Right Application Process. A form of this document is attached as Exhibit 12.

c. For owners on the date of final Court approval of the Class Settlement, a proof of claim and release in the form attached as Exhibit 4A.

d. For former owners, a proof of claim and release in the form attached as Exhibit 4.

C. Commitments by Members of the Property Damage Settlement Class Owning Vacant Lots within the Future City Water Service Area

1. Members of the Property Damage Settlement Class owning vacant lots (which includes lots with improvements other than a residence) located within the portions of the Tier 1 and Tier 2 Subareas of the Settlement Class Area that are included within the Future City Water Service Area and that, as of February 14, 2011, were platted into individual single family residential lots, agree to connect any homes to be constructed on those lots, as presently configured, to the City Water System. Such Settlement Class Members also agree to cooperate and provide access to their real property, without requiring any additional payment, for installation of City Water System components and completion of the connection to the City

Water System. Such Settlement Class Members further agree to abide by the requirements applicable to receipt of service from the City Water System.

2. Except as provided in Paragraph IV.A.3, all costs for connection to, receipt of, and use of City of Yerington water service will be the financial responsibility of and be borne by the Settlement Class Member and/or his/her/its successors and assigns.

3. Prior to receiving any payments or other benefits of the Class Settlement, these Members of the Property Damage Settlement Class also agree to execute and deliver to the Class Settlement Claims Administrator the following documents:

a. An environmental covenant and access agreement, binding upon the Property Damage Settlement Class Member and his/her/its successors and assigns, to be recorded in the Lyon County, Nevada real property records that: (i) provides notice of the Class Settlement; (ii) restricts future groundwater use or, if a Class Domestic Well is present on the property, restricts future groundwater use in accordance with a well abandonment form submitted by the Property Damage Settlement Class Member with the executed environmental covenant and access agreement or a water right permit issued by NDWR to the Property Damage Settlement Class Member under the Settlement Water Right Application Process; (iii) commits to connect to the City Water System and provide access to his, her or its property within the Settlement Class Area for installation of City Water System components when a residence is constructed; and (iv) permits access to his, her or its property within the Settlement Class Area by Atlantic Richfield Company, the State of Nevada Department of Conservation and Natural Resources, Division of Environmental Protection and the U.S. Environmental Protection Agency for sampling, monitoring or other investigations that may be required on a Property Damage Settlement Class Member's real property as part of any ongoing or future investigations or other

actions under federal or state law. A form of this environmental covenant and access agreement is attached as Exhibit 6 (vacant without a Class Domestic Well), Exhibit 6A (vacant with a Class Domestic Well – abandon), and Exhibit 6B (vacant with a Class Domestic Well – water right permit application).

b. For owners on the date of final Court approval of the Class Settlement of vacant real property on which a Class Domestic Well is located, either:

i. a well abandonment form covering any Class Domestic Well on the property if the Property Damage Settlement Class Member chooses to abandon such a well under the Class Settlement. A copy of this document is attached as Exhibit 7; or

ii. a water right permit application form covering any Class Domestic Well on the property if the Property Damage Settlement Class Member seeks an individual water right permit for Quasi-Municipal Use (limited to the exterior demands of a domestic well as described in NRS §534.013), commensurate with historic use of that well under the Settlement Water Right Application Process. A form of this document is attached as Exhibit 12 .

c. For owners of vacant real property without a Class Domestic Well, and former owners of vacant real property on which a Class Domestic Well is located, a proof of claim and release in the form attached as Exhibit 4.

d. For owners on the date of final Court approval of the Class Settlement of vacant real property on which a Class Domestic Well is located, a proof of claim and release in the form attached as Exhibit 4A.

D. Commitments by Owners of Class Domestic Wells

1. Property Damage Settlement Class Members who own real property on which a Class Domestic Well is located must agree to connect to the City System, and either (i)

abandon that well or (ii) participate in the Settlement Water Right Application Process to the Nevada Division of Water Resources to seek an individual water right permit for Quasi-Municipal Use (limited to the exterior demands of a domestic well as described in NRS §534.013), commensurate with historic use of that well.

2. A Property Damage Settlement Class Member who decides to abandon his/her/its Class Domestic Well must complete the well abandonment form attached as Exhibit 7. If the Property Damage Settlement Class Member submits the completed well abandonment form to the Class Settlement Claims Administrator during the Supplemental Settlement Class Notice Period or to the City before the date that construction of the extension of the City Water System described in Paragraph IV.A.1 commences, then Defendants will arrange and pay for plugging and abandonment of the well in compliance with NDWR regulations. If a Property Damage Settlement Class Member does not submit a completed well abandonment form in this manner, then any future costs for plugging and abandoning existing water wells on that property will be the financial responsibility of that Property Damage Settlement Class Member and/or his/her/its successors and assigns.

3. A Property Damage Settlement Class Member who wants to include his/her/its Class Domestic Well in the Settlement Water Right Application Process must complete the designated sections of the application for water right permit form attached as Exhibit 12 and submit the form to the Class Settlement Claims Administrator during the Supplemental Settlement Class Notice Period. By making that submission, the Property Damage Settlement Class Member accepts and agrees to all of the terms and conditions of the Settlement Water Right Application Process set forth below.

4. The terms and conditions of the Settlement Water Right Application Process are:

a. Applications are limited to seeking a permit for "Quasi-Municipal Use (limited to the exterior demands of a domestic well as described in NRS §534.013)" that is commensurate in quantity to the applicant's historic annual use of well water for outdoor domestic use. Any residence or other structure on a property in which humans may use water for drinking, cooking, bathing, laundry, washing dishes or other similar uses must be served exclusively by the City Water System.

b. The amount of water which may be sought in an application for an individual water right permit is determined by Nevada statutes and applicable NDWR rules, regulations, and policies. The amount of water that may be sought will be (i) based on calculated annual historic outdoor use and (ii) capped at the statutory maximum amount allowed under N.R.S. § 534.180 and N.A.C. § 534.315 for an exempt domestic use well (2 acre-feet per year) minus the typical indoor domestic use amount as determined by the NDWR. For example,

i. Family A's historic indoor use is calculated to be 0.75 acre-feet per year, and their historic outdoor use is calculated to be 0.75 acre-feet per year. Family A may submit a permit application for a water right of 0.75 acre-feet per year for "Quasi-Municipal Use (limited to the exterior demands of a domestic well as described in NRS §534.013)."

ii. Family B's historic indoor use is calculated to be 0.75 acre-feet per year, and their historic outdoor use is calculated to be 1.4 acre-feet per year. Their total well withdrawal over a one year period (2.15 acre-feet) is estimated to exceed the 2 acre-feet amount permitted by Nevada law. Family B may submit a permit application for a water right of

no more than 1.25 acre-feet per year (2.0 – 0.75 = 1.25) for "Quasi-Municipal Use (limited to the exterior demands of a domestic well as described in NRS §534.013)."

iii. Mr. C's historic indoor use is calculated to be 0.25 acre-feet per year, and his historic outdoor use is calculated to be 1.75 acre-feet per year. He may submit a permit application for a water right of 1.75 acre-feet per year for "Quasi-Municipal Use (limited to the exterior demands of a domestic well as described in NRS §534.013)."

c. As noted above, one limitation on applications is the amount of well water historically placed to beneficial use each year for outdoor domestic uses. For example, an application for water to irrigate a garden must be based on an actual garden, including but not limited to garden size and nature and type of plants.

d. The nature and estimation of the amount of historic domestic use for each individual application will be made consistent with State practice by a water rights engineer under the oversight of Class Counsel on behalf of all Property Damage Settlement Class Members who participate in the Settlement Water Right Application Process. Based on those determinations, the water rights engineer will prepare a single historic use/quantification map of such domestic wells to support all applicants and their respective applications submitted to the NDWR for review and approval under the Settlement Water Right Application Process. The NDWR will make a final determination as to the nature and amount of use and other water-use related information for each individual permit.

e. Class Counsel will facilitate, coordinate and oversee the Settlement Water Right Application Process on behalf of the Property Damage Settlement Class Members participating in this process. Class Counsel will provide written reports to the Court and counsel for the Defendants regarding the progress and status of this process. An individual Property

Damage Settlement Class Member may also retain a separate attorney at his/her/its own expense to assist that Class Member with the Settlement Water Right Application Process.

f. All applications must be signed by the participating Settlement Class Members and submitted to the NDWR no later than ninety (90) days following the date on which the Court grants final approval to the Class Settlement. To ensure this deadline is met, Property Damage Settlement Class Members participating in the Settlement Water Right Application Process agree to provide any information requested promptly and to otherwise cooperate with Class Counsel and the water rights engineer to submit and prosecute applications. Failure to provide information promptly or to otherwise cooperate will result in removal of the individual Property Damage Settlement Class Member's application for water right permit from the Settlement Water Right Application Process. Prior to the deadline for submitting applications to the NDWR, an individual Property Damage Settlement Class Member who disagrees with the determination of its historic outdoor domestic use made by the water rights engineer overseen by Class Counsel or otherwise elects not to proceed with the Settlement Water Right Application Process may abandon its well under the Class Settlement, instead of proceeding with an application under the Settlement Water Right Application Process, and receive the settlement benefits for abandonment.

g. All applications are subject to the statutes, regulations, policies and procedures applicable to the NDWR governing the appropriation of water in Nevada, including those governing a change in place or manner of use and point of diversion of a groundwater right, including but not limited to publication for four (4) weeks and a thirty (30) day protest period.

h. All applications are subject to applicable requirements set forth in NRS §533.370 and permit conditions that may imposed by the NDWR related to future use of the well or water right including but not limited to installation of a totalizing meter or other equipment required by the NDWR, periodic reporting, and documentation of actual water use per year. Defendants will pay for one totalizing meter per well if one is required by the NDWR in the Settlement Water Right Application Process. With the exception of that one totalizing meter per well, each Property Damage Settlement Class Member who obtains a water right permit through the Settlement Water Right Application Process will bear all responsibility, including financial responsibility, for satisfying any future reporting requirements or permit conditions governing future use of the well. The requirements and conditions may include, but may not be limited to, submission to the NDWR of accurate recording of meter readings, Proof of Completion of Work, and Proof of Beneficial Use.

i. Each Property Damage Settlement Class Member participating in the Settlement Water Right Application Process will bear all responsibility, including financial responsibility, for operation, maintenance, repair, replacement and future abandonment of a well for which a water right permit is obtained under the Settlement Water Right Application Process.

j. Each of the Property Damage Settlement Class Members participating in the Settlement Water Right Application Process will accept, and therefore will waive any rights to protest or otherwise challenge, the determinations made for his/her/its well and the determinations made for all other Property Damage Settlement Class Members' wells that are made by the water rights engineer overseen by Class Counsel or the NDWR.

k. The sale, conveyance or alienation in any manner of a water right changed for quasi-municipal use as part of the Settlement Water Right Application Process is

prohibited. Any water right subject to a permit issued by the NDWR to a Property Damage Settlement Class Member shall thereafter be deemed appurtenant to and part of the real property parcel on which such Settlement Class Member's Class Domestic Well is located and cannot be severed therefrom, or transferred, conveyed or alienated separately from that real property parcel on which such Settlement Class Member's Class Domestic Well is located.

E. Commitments by Remaining Members of the Property Damage Settlement Class

1. Members of the Property Damage Settlement Class owning property within the Tier 2 Subarea of the Settlement Class Area that is outside the Future City Water Service Area agree to execute and deliver to the Class Settlement Claims Administrator a proof of claim and release in the form attached as Exhibit 4.

F. Commitments by Members of the Medical Monitoring Settlement Class

1. Prior to receiving any payments or other benefits of the Class Settlement, Members of the Medical Monitoring Settlement Class agree to execute and deliver to the Class Settlement Claims Administrator a proof of claim and release in the form attached as Exhibit 4.

VI. Releases, Covenants, and Dismissal

1. The Plaintiffs/Class Representatives on behalf of themselves, the Members of the Settlement Classes, and the Releasing Parties agree to a dismissal with prejudice of all claims and causes of action alleged or that could have been alleged in the Litigation against the Defendants (excluding only claims for personal injury). Plaintiffs/Class Representatives, on behalf of themselves, the Members of the Settlement Classes, and the Releasing Parties also acknowledge that evidence of facts in addition to or different from those that they now know

may hereafter become known or be discovered by them, a state, federal or other governmental agency, or some third person or entity.

2. Upon the Effective Date, each of the Plaintiffs/Class Representatives, each of the Members of the Settlement Classes, and each of the Releasing Parties will be deemed to have fully, finally and forever released, relinquished and discharged each and all of the Released Parties from all claims and causes of action alleged or that could have been alleged in the Litigation (excluding only claims for personal injury), any and all Released Claims, and all claims, known or unknown, based upon or arising out of the institution, prosecution, assertion, settlement or resolution of the Litigation or the Released Claims.

3. Upon the Effective Date, each of the Plaintiffs/Class Representatives, each of the Members of the Settlement Classes, and each of the Releasing Parties will be deemed to have covenanted and agreed that it will forever refrain from instituting, maintaining, collecting on or proceeding against any Released Party on any claim, demand, cause of action or liability of any nature whatsoever, whether or not now known, suspected or claimed, which it ever had, now has or may hereafter have against any Released Party relating to Released Claims.

VII. Class Notice and Class Administration

A. Preliminary Approval Orders, Class Notices and Class Action Fairness Act Notices

1. The Settling Parties will file a motion requesting an immediate entry of the Supplemental Preliminary Approval Order, in the form of Exhibit 8A, that:

a. Confirms the preliminary approval order entered on February 25, 2013 regarding certification of the Settlement Classes pursuant to Fed. R. Civ. P. 23(a), 23(b)(3), and 23(e), appointment of the Plaintiffs as class representatives, appointment of Class Counsel as

counsel for the Settlement Classes, and appointment of Rust Consulting, Inc. as the Class Settlement Claims Administrator;

b. Preliminarily approves the Amended Class Settlement Agreement for purposes of issuing notice to the owners of Class Domestic Wells eligible to be Members of the Property Damage Settlement Class;

c. Sets the Fairness Hearing, provided, however, that the Fairness Hearing will not be set prior to the expiration of the notice periods required under 28 U.S.C. § 1715;

d. Confirms the adequacy of notice of class certification and class settlement provided by mail on March 4, 2013 (Exhibit 9) and by publication in the *Mason Valley News* on March 6 and 13, 2013, and in the *Reno Gazette Journal* on March 6, 2013 (Exhibit 10), to putative Members of the Medical Monitoring Settlement Class and putative Members of the Property Damage Settlement Class who do not own Class Domestic Wells and directs that such notice need not be provided again because the Amended Class Settlement Agreement does not change the settlement terms applicable to those putative Members of the Settlement Classes;

e. Confirms that exclusion requests, objections and proof of claim and release forms submitted between March 4, 2013 and May 3, 2013 by putative Members of the Medical Monitoring Settlement Class and putative Members of the Property Damage Settlement Class who are not owners of Class Domestic Wells need not be resubmitted during the Supplemental Settlement Class Notice Period and will be regarded as valid and binding exercises of rights under the Class Settlement by the Persons who submitted them.

f. Approves for mailing only to putative Members of the Property Damage Settlement Class who own real property in the Settlement Class Area on which a Class Domestic Well is located a Notice of Class Certification and Amended Class Settlement Agreement, substantially in the form of Exhibit 9A, which will include the general terms of the settlement set forth in this Amended Class Settlement Agreement that are applicable only to Property Damage Settlement Class Members who own real property in the Settlement Class Area on which a Class Domestic Well is located and the date of the Fairness Hearing;

g. Approves for publication in the *Mason Valley News* and the *Reno Gazette-Journal* of a Summary Notice of Class Certification and Amended Settlement Agreement substantially in the form of Exhibit 10A;

h. Establishes a date prior to the Fairness Hearing and an appropriate mechanism by which any Person owning a Class Domestic Well and eligible to be a Member of the Property Damage Settlement Class may be excluded from or opt out of the Property Damage Settlement Class and the Class Settlement; and

i. Establishes a date prior to the Fairness Hearing and an appropriate mechanism by which any Person owning a Class Domestic Well and eligible to be a Member of the Property Damage Settlement Class may object to certification of the Property Damage Settlement Class or the reasonableness, fairness and adequacy of the Amended Class Settlement Agreement.

2. If preliminary approval of the Amended Class Settlement Agreement is obtained from the Court, the Defendants will bear the costs for publication and distribution of the supplemental notices of class certification and Amended Class Settlement Agreement described above.

3. The Class Settlement Claims Administrator will again use the Lyon County, Nevada tax records, as supplemented by corrections and more current information obtained in the prior settlement class notice period, as a reference for addresses of Persons who own Class Domestic Wells and are eligible to be Members of the Property Damage Settlement Class.

4. The Settling Parties have agreed to request Court approval for procedures and deadlines for notice, opt-outs and objections by owners of Class Domestic wells eligible to be Members in the Property Damage Settlement Class as follows:

a. Notice substantially in the form of Exhibit 9A will be mailed by first class mail within fourteen (14) days after entry of the Supplemental Preliminary Approval Order to all owners of Class Domestic Wells eligible to be Members of the Property Damage Settlement Class whose names and current mailing addresses can be identified by the Settling Parties and the Class Settlement Claims Administrator with reasonable effort. Notices that are returned by the United States Postal Service with a forwarding address will be re-mailed to the new address.

b. Notice substantially in the form of Exhibit 10A will be published once within fourteen (14) days after entry of the Supplemental Preliminary Approval Order in both the *Mason Valley News* and the *Reno Gazette-Journal* and then again in the *Mason Valley News* within ten (10) business days after the initial publication.

c. The Settling Parties may further agree upon additional methods of delivering notice and distributing information within the community to explain the Amended Class Settlement Agreement and encourage participation by owners of Class Domestic Wells eligible to be Members of the Property Damage Settlement Class.

d. The procedures and deadlines for opt-out or exclusion requests and objections will be set forth in the individual and publication notices. The period for opt-out or exclusion requests and objections will be sixty (60) days from the date on which the notices are mailed. Opt-out or exclusion requests will be mailed to the Class Settlement Claims Administrator and will be considered timely if postmarked on or before the expiration of the 60-day period. Objections will be mailed to the Court and to an attorney for each Settling Party and will be considered timely if postmarked on or before the expiration of the 60-day period.

5. Defendants will prepare and submit the notices required by 28 U.S.C. § 1715 to the appropriate federal and state officials.

6. In the event that the Court declines to enter the Supplemental Preliminary Approval Order in the form of Exhibit 8A and enters a preliminary approval order or orders that provide relief that is substantially different from that provided in Exhibit 8A, Defendants, through their attorneys of record, and/or the Plaintiffs/Class Representatives on behalf of themselves and the Settlement Classes, through Class Counsel, will have the right within ten (10) days thereafter to withdraw from and terminate this Agreement by written notice to counsel for all other parties. The determination of whether any difference between the form of Supplemental Preliminary Approval Order attached as Exhibit 8A and the preliminary approval order or orders entered by the Court is "substantial" will be made by Defendants, through their attorneys of record, and/or the Plaintiffs/Class Representatives, through Class Counsel, each in its respective sole discretion.

B. Funding Mechanisms for Implementation of Class Settlement

1. Prior to the date of the Fairness Hearing, the Defendants, at their election, may establish one or more escrow accounts which meet the requirements of a qualified settlement fund under Section 468B of the Internal Revenue Code of 1986, as amended (the

"Code"), 26 U.S.C. § 468B, to hold and fund settlement payments to Members of the Settlement Classes, extension of the City of Yerington Water System as described in Section IV, implementation of the Settlement Water Right Application Process, payments under Section VIII, and/or attorney fees and litigation expenses under this Amended Class Settlement Agreement. If Defendants elect to establish such escrow accounts as qualified settlement funds, then the Settling Parties will cooperate in taking the actions necessary for the settlement funds to obtain status as qualified settlement funds under section 468B of the Code.

C. Implementation of Class Notice and Claims Administration

1. The Settling Parties agree that it is appropriate to employ Rust Consulting, Inc., a third party, as Class Settlement Claims Administrator to handle distribution and implementation of Settlement Class notice and, if the Class Settlement receives final Court approval, perform claims administration tasks. The Defendants agree that employment of the Class Settlement Claims Administrator is at their sole expense. Defendants will fund notice and administration costs up to $350,000 in addition to the other payments or funding they agree to provide under this Agreement.

2. Seven (7) days prior to the Fairness Hearing, the Settling Parties will file with the Court an appropriate affidavit(s) or declaration(s) from the Class Settlement Claims Administrator with respect to preparing and mailing or publishing notice and supplemental notice to the Settlement Classes.

3. No later than seven (7) days prior to the Fairness Hearing, the Settling Parties will file with the Court a report regarding the exclusion requests and objections received.

4. The Settling Parties obtained Court approval for the Class Settlement Claims Administrator to include proof of claim forms and related documents in the class certification and class settlement notice package mailed on March 4, 2013 to putative members

of the Settlement Classes and request their return by the same deadline as opt-out or exclusion requests. The Settling Parties agree to seek Court approval to do the same for the notice of the Amended Class Settlement Agreement to be mailed to owners of Class Domestic Wells eligible to be Members of the Property Damage Settlement Class. However, processing of claims including, but not limited to, issuance of payments and recording of environmental covenants and access agreements, will not begin until after Defendants have made their election under Paragraph X.B.1 and the Judgment is Final.

VIII. Incentive Awards to Plaintiffs

A. Amount and Distribution

1. For purposes of settlement only, the Defendants agree to provide a fund in the amount of $45,000 for distribution by Class Counsel to Named Plaintiffs or other individuals who have, in Class Counsel's judgment, significantly contributed to the prosecution of the Litigation.

B. Disclosure and Court Approval

1. Any such payments will be disclosed to and approved by the Court as part of the Class Settlement approval process.

IX. Litigation Expenses and Class Counsel's Attorney Fees

A. Amount

1. Pursuant to Fed. R. Civ. P. 23(h)(1), Class Counsel will file a motion seeking approval of an award of attorney fees and reimbursement of litigation expenses contemporaneously with the filing of the Second Agreed Motion. Class Counsel have agreed that they will seek an award of no more than $2,600,000 in attorney fees and litigation expenses

for representation of the putative classes and prosecution of the Litigation. Defendants have agreed that they will not oppose Class Counsel's request for such an award of $2,600,000 in attorney fees and litigation expenses.

B. Distribution

1. Following preliminary approval by the Court of a motion filed by Class Counsel seeking an award of $2,600,000 or a lesser amount for attorney fees and litigation expenses, Defendants may deposit the Court-approved award of attorney fees and litigation expenses to an interest-bearing escrow account within forty-five (45) days following entry of the preliminary approval order at a commercial bank to be agreed upon by the Settling Parties. The costs for establishment and administration of this escrow account will be paid by the Defendants. In the alternative, Defendants may hold the amount of the attorney fee and litigation expense award and account to Class Counsel for interest accruing, based on the 6 month London Interbank Offered Rate as reported in the Wall Street Journal on the date of the order preliminarily approving the attorney fee and litigation expense award, between such date and the date on which the award is to be distributed to Class Counsel under Paragraph IX.B.2.

2. If the Court approves the protocol described in Paragraph VII.C.4 above and the Class Settlement Claims Administrator is directed to include proof of claim forms and related documents in the notice and supplemental notice packages and request their return by the same deadline as opt-out or exclusion requests, then said funds (and interest earnings thereon) will be distributed to Class Counsel when Judgment substantially in the form attached as Exhibit 11 is Final. If, however, the Court requires the Class Settlement Claims Administrator to wait until after entry of Judgment before it distributes proof of claim forms and related documents, then fifty percent (50%) of said funds (and interest earnings thereon) will be distributed to Class Counsel when Judgment substantially in the form attached as Exhibit 11 is

Final and the remaining fifty percent (50%) will be distributed to Class Counsel following the close of the claims administration process.

X. Conditions of Settlement and Effect of Opt-Outs, Objections, Disapproval, Cancellation or Termination

A. Reduction of Total Collective Payment

1. The estimated total collective settlement amount for each Subarea and the Class Domestic Well owners in Paragraph III.A.3.a through Paragraph III.A.3.d is based on, among other things, full or one hundred percent (100%) participation in the Property Damage Settlement Class of all Persons eligible for membership.

2. To the extent Persons owning real property in one of the three Subareas, or the Class Domestic Well owners, opt out of the Property Damage Settlement Class, the total collective settlement amount for that Subarea, or the Class Domestic Well owners, and therefore the maximum amount Defendants could pay to settle the claims of the Property Damage Settlement Class, will be reduced by the total amount that would have been paid in settlement to all Persons who elect to opt out. The formula for this reduction calculation is set forth above in Paragraph III.A.3.g.

3. The estimated total collective settlement amount for Class Domestic Wells in Paragraph III.A.3.c is based on, among other things, election to abandon their wells by one hundred percent (100%) of the owners of Class Domestic Wells as of the date of final Court approval of the Class Settlement. To the extent that some of those well owners choose to participate in the Settlement Water Right Application Process and not abandon their wells, the maximum amount Defendants could pay in settlement for Class Domestic Wells will be reduced by $5,000 for each well that is included in the Settlement Water Right Application Process.

B. Other Conditions

1. The Settling Parties agree that the Defendants will have the sole and exclusive right to decide, at their discretion, whether to withdraw from, terminate and void the Class Settlement, based upon (i) the Defendants' ability to purchase water rights for the Settlement Water Right Application Process on terms Defendants consider to be commercially reasonable, (ii) the number of Class Domestic Well owners who agree to connect to the City Water System, (iii) the number of Class Domestic Well owners who elect to abandon their wells under the Class Settlement, and (iv) the number of Persons who agree to participate in the Class Settlement in its entirety. Defendants will also have the sole and exclusive right to decide, at their discretion, to proceed with all or a part of the Class Settlement with participating Class Members. If the Court approves the protocol described in Paragraph VII.C.4 above and the Class Settlement Claims Administrator is directed to include proof of claim forms and related documents in the notice and supplemental notice packages and request their return by the same deadline as opt-out or exclusion requests, then the Defendants will make their election under this paragraph no later than ten (10) days prior to the Fairness Hearing. If the Court requires the Class Settlement Claims Administrator to wait until after entry of Judgment before it distributes proof of claim forms and related documents, then Defendants will make their election under this paragraph no later than ten (10) days after the close of the period for submission of proof of claim forms and related documents and before distribution of any settlement payments.

2. The Effective Date of the Class Settlement will be the date on which the last of all of the following events occurs:

a. The execution of the Class Settlement Agreement;

b. The filing of the Agreed Motion;

c. The Court has granted the Agreed Motion and entered the Preliminary Approval Order in the form attached as Exhibit 8;

d. Class settlement notices have been mailed and published pursuant to the Preliminary Approval Order;

e. The execution of the Amended Class Settlement Agreement;

f. The filing of the Second Agreed Motion;

g. The Court has granted the Second Agreed Motion and entered the Supplemental Preliminary Approval Order in the form attached as Exhibit 8A;

h. Notices to Persons who own Class Domestic Wells and are eligible to be Members of the Property Damage Settlement Class have been mailed and published;

i. The Court has entered the Judgment in the form attached as Exhibit 11;

j. The Judgment has become Final as defined in Section I, above; and

k. The completion of the claims administration process (which will begin after the Judgment is Final) including, but not limited to: payment to each Member of the Property Damage Settlement Class who delivered to the Class Settlement Claims Administrator a completed and executed proof of claim and release form together with, if applicable, completed and executed copies of the appropriate environmental covenant and access agreement form, the City release, and either a well abandonment form or a water right permit application form; payment to each Member of the Medical Monitoring Settlement Class who delivered to the Class Settlement Claims Administrator a completed and executed proof of claim and release form; recording of executed environmental covenant and access agreements in the Lyon County,

Nevada real property records; and submission of well abandonment forms to the appropriate governmental agency.

3. If all of the conditions specified in Paragraph X.B.2, above, are not satisfied, then the Class Settlement will be cancelled and terminated, unless Class Counsel and Defendants' counsel mutually agree in writing to proceed with the settlement and enter into a revised settlement agreement.

4. In the event that the Court declines to enter Judgment in the form of Exhibit 11 and enters a judgment or orders that provide relief that is substantially different from that provided in Exhibit 11, Defendants, through their attorneys of record, and/or the Plaintiffs/ Class Representatives, through Class Counsel, will have the right within ten (10) days thereafter to withdraw from and terminate this Agreement by written notice to counsel for all other parties. The determination of whether any difference between the form of Judgment attached as Exhibit 11 and the judgment or other orders entered by the Court is "substantial" will be made by Defendants, through their attorneys of record, and/or the Plaintiffs/Class Representatives, through Class Counsel, each in its respective sole discretion.

5. In the event that (i) the Court does not certify the Settlement Classes and enter a Preliminary Approval Order in the form attached as Exhibit 8, (ii) the Court does not enter a Supplemental Preliminary Approval Order in the form attached as Exhibit 8A; (iii) as a result of the Fairness Hearing, the Court does not find that the Class Settlement is a fair, reasonable and adequate settlement as required by Fed. R. Civ. P. 23(e) and enter Judgment in the form attached as Exhibit 11, (iii) the Court or an appellate court enters an order or orders modifying the settlement terms set forth in this Amended Class Settlement Agreement and, as a result, Defendants or Plaintiffs/Class Representatives elect to terminate the settlement, (iv) the

Judgment does not become Final, (v) Defendants elect, at their discretion, to withdraw from, terminate and void the settlement as provided by paragraph X.B.1 above, or (vi) the settlement is otherwise terminated or canceled in accordance with the terms of this Amended Class Settlement Agreement, then the Settling Parties will file a motion to set a status conference at which they will request the Court to restore them to their respective positions in the Litigation as of May 11, 2012 with necessary adjustments to discovery and other litigation deadlines to account for the period of time after May 11, 2012 during which the Settling Parties' efforts focused on settlement. Restoring the Settling Parties to their respective positions means that the class certification hearing date, the trial date and any deadlines prior to trial will be rescheduled so that the Settling Parties will have the same period of time before the class certification hearing and the trial and before each deadline that they had on May 11, 2012. In such an event, the terms and provisions of the Class Settlement Agreement and this Amended Class Settlement Agreement will have no further force and effect with respect to the Settling Parties and will not be used or admissible in the Litigation or in any other proceeding for any purpose, and any judgment or order entered by the Court in accordance with the terms of either the Class Settlement Agreement or this Amended Class Settlement Agreement will be treated as vacated, *nunc pro tunc*.

6. In the event the Court declines to certify the Settlement Classes, approve the Class Settlement, or the Class Settlement is otherwise terminated or canceled, Defendants retain all rights to oppose certification or redefinition of any class for the purposes of any further litigation.

7. In the event the Class Settlement is terminated or canceled and the Litigation resumes for any reason, then any Court-approved escrow for attorney fees and

litigation expenses will terminate, and all funds and interest therein will be returned to the Defendants.

XI. Miscellaneous Provisions

A. Negotiation of Settlement

1. The Settling Parties agree that the settlement was negotiated at arm's length in good faith by the Settling Parties and was reached voluntarily after consultation with competent legal counsel.

2. The Settling Parties agree to cooperate to the extent reasonably necessary, and to exercise their best efforts, to implement all terms and conditions of the Amended Class Settlement Agreement.

3. Except as otherwise provided in this Amended Class Settlement Agreement, each Settling Party will bear its own costs and fees.

B. No Admission

1. The Settling Parties intend this settlement to be a final and complete resolution of all disputes between them with respect to the Litigation. This settlement compromises claims that are contested and will not be deemed an admission by any Settling Party as to the merits of any claim or defense.

2. Neither the Class Settlement Agreement nor the Agreed Motion, nor the Amended Class Settlement Agreement nor the Second Agreed Motion, nor any act performed or document executed pursuant to or in furtherance of them (i) is, may be deemed to be, or may be used as an admission of, or evidence of, the validity or lack thereof of any Released Claim, or of any wrongdoing or liability of any Released Party or any other Person; or (ii) is, may be deemed to be, or may be used as an admission of, or evidence of, any fault or omission of any Released

Party or any other Person in any civil, criminal or administrative proceeding in any court, administrative agency or other tribunal. The Released Parties may file the Agreed Motion, the Second Agreed Motion and/or the Judgment in order to support a defense or counterclaim based on principles of *res judicata*, collateral estoppel, claim-splitting, release, good faith settlement, judgment bar or reduction, setoff, or any other theory of claim or issue preclusion or similar defense or counterclaim in any action, proceeding, or claim that may be brought against them by any Plaintiff/Class Representative, Member of one or both Settlement Classes, or Releasing Party.

C. Integration, Counterparts and Choice of Law

1. Exhibits 1 – 12 to this Amended Class Settlement Agreement are material and integral parts of this settlement and are fully incorporated herein by reference.

2. This Amended Class Settlement Agreement may be amended or modified only by a written statement signed by or on behalf of all Settling Parties or their respective successors in interest.

3. This Amended Class Settlement Agreement and its Exhibits constitute the entire agreement among the Settling Parties and no representations, warranties or inducements have been made to any party concerning the Class Settlement other than the representations, warranties and covenants contained and memorialized in those documents.

4. The Amended Class Settlement Agreement may be executed in one or more counterparts. All executed counterparts and each of them will be deemed to be one and the same instrument. A complete set of executed counterparts will be filed with the Court.

5. The Amended Class Settlement Agreement and its Exhibits will be considered to have been negotiated, executed and delivered, and to be wholly performed, in the State of Nevada, and the rights and obligations of the Settling Parties will be construed and

enforced in accordance with, and governed by, the substantive laws of the State of Nevada without giving effect to that State's choice of law principles.

D. Authority and Binding Effect

1. Class Counsel, on behalf of the Settlement Classes, are expressly authorized by the Plaintiffs/Class Representatives to take all appropriate actions required or permitted to be taken by the Settlement Classes pursuant to the Amended Class Settlement Agreement to effectuate its terms. Class Counsel are also expressly authorized by the Plaintiffs/ Class Representatives to enter into any modifications or amendments to the Amended Class Settlement Agreement on behalf of the Settlement Classes that they deem to be appropriate.

2. Each attorney or other Person executing this Amended Class Settlement Agreement or any of its Exhibits on behalf of any Settling Party warrants that he or she has the full authority to do so.

3. Except as otherwise provided, the Amended Class Settlement Agreement will be binding upon, and inure to the benefit of, the successors and assigns of the Settling Parties.

E. Retention of Jurisdiction

1. The Settling Parties agree that the Court will retain jurisdiction with respect to the implementation and enforcement of the terms of the Class Settlement, and the Settling Parties agree to submit to the jurisdiction of the Court for purposes of implementing and enforcing the Class Settlement.

In witness whereof, the Settling Parties have caused their respective counsel to execute this Amended Class Settlement Agreement as of the last date of the dates that appear next to each signature.

PHILIP ROEDER, ANNA ROEDER, LISA LACKORE, LISA LACKORE, as guardian of her minor child, MELISSA LACKORE, LISA LACKORE, as guardian of her minor child, COLE LACKORE, SUZANNE SHAPE, GREGORY SHAPE, CLAUDIA HAYDEN, TIMOTHY HAYDEN

By:_____

Allan Kanner
Kanner & Whiteley, L.L.C.
701 Camp Street
New Orleans, LA 70130

Date: July 10, 2013

Attorneys for Plaintiffs/Class Representatives

ATLANTIC RICHFIELD COMPANY, a Delaware corporation and BP AMERICA INC., a Delaware corporation

By:_____

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Denver, CO 80202

Date: July 10, 2013

Attorneys for Defendants Atlantic Richfield Company and BP America Inc.