

Exhibit 1

To the Stipulation

IN THE UNITED STATES DISTRICT COURT
FOR THE WESTERN DISTRICT OF OKLAHOMA

CHIEFTAIN ROYALTY COMPANY and
JACK LANCET,

Plaintiffs,

v.

QEP ENERGY COMPANY,

Defendant.

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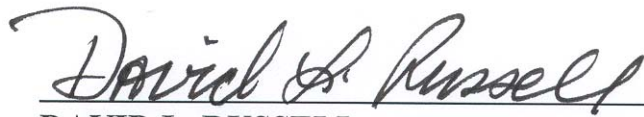
Case 5:11-cv-00212-R

AGREED FORM OF NOTICE OF PENDENCY OF CLASS ACTION

The undersigned parties have agreed to the following Notice of Pendency of Class Action.

The Court hereby approves the Notice as submitted, and directs Plaintiffs to begin dissemination of the following Notice to Class Members no later than June 15, 2012.

IT IS SO ORDERED dated this 24th day of May, 2012.



DAVID L. RUSSELL
UNITED STATES DISTRICT JUDGE

IN THE UNITED STATES DISTRICT COURT
FOR THE WESTERN DISTRICT OF OKLAHOMA

CHIEFTAIN ROYALTY COMPANY and
JACK LANCET,

Plaintiffs,

v.

QEP ENERGY COMPANY,

Defendant.

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Case 5:11-cv-00212-R

NOTICE OF PENDENCY OF CLASS ACTION

Issued May 24, 2012
By Order of Judge David L. Russell

PLEASE READ THIS NOTICE CAREFULLY.
A FEDERAL COURT AUTHORIZED THIS NOTICE.
THIS IS NOT A SOLICITATION.
YOU HAVE NOT BEEN SUED.

This Notice is to inform you that a class has been certified in a lawsuit brought by Chieftain Royalty Company and Jack Lancet (“Plaintiffs”) against QEP Energy Company (“QEP”) (formerly Questar Exploration and Production Company) (the “Action”). If you fit into the class definition below, you will be deemed part of the Class.

This Notice is to inform you of the nature of the Action and of your rights in connection with it. You should read the entire Notice carefully because your legal rights are affected whether you act or not. The United States District Court for the Western District of Oklahoma (“Court”) has authorized this Notice, but it is not an expression of an opinion by the Court as to the merits of any of the claims or defenses asserted by either side in the Action.

TO ALL MEMBERS OF THE FOLLOWING CLASS:

All non-excluded persons or entities who are or were royalty owners in Oklahoma wells where QEP Energy Company is or was the operator (or, as a non-operator, QEP separately marketed gas) (“Class”). The Class Claims relate only to payment

for gas and its constituents (helium, residue gas, natural gas liquids, nitrogen and condensate) produced from the wells. The Class does not include overriding royalty owners or other owners who derive their interest through the oil and gas lessee. The Class is divided into the following subclasses:

Subclass 1: All Class members who have or had a direct lessor-lessee relationship with QEP

Subclass 1(a): where QEP is or was the Operator of Oklahoma wells.

Subclass 1(b): where QEP, as non-operator of Oklahoma wells, separately marketed gas.

Subclass 2: All Class members who do not or did not have a direct lessor-lessee relationship with QEP

Subclass 2(a): where QEP is or was the operator of the Oklahoma wells.

Subclass 2(b): where QEP, as non-operator of Oklahoma wells, separately marketed gas.

The persons or entities excluded from the Class are: (1) agencies, departments or instrumentalities of the United States of America and the State of Oklahoma; (2) publicly traded oil and gas exploration companies and their affiliates; (3) the claims of royalty owners to the extent previously released by settlement in the case styled *McIntosh v Questar*, Case No. CJ-02-22, District Court for Major County; (4) members of the class certified in *Bridenstine v. Kaiser Francis*, Case No. 97, 117 (unpublished) August 22, 2003, cert. denied, June 26, 2006, Okla. Sup. Ct., Case No. DF-01569, but only to the extent of their respective royalty interests in wells connected to the Beaver Gathering System in Beaver and Texas counties, Oklahoma; (5) members of the class certified in *Naylor Farms v. Anadarko OGC Co.*, No. CIV-08-668-R, 2009 U.S. Dist. LEXIS 127516 (W.D. Okla. Aug. 26, 2009), but only to the extent of their respective royalty interests in wells operated by QEP in Beaver and Texas counties, Oklahoma; and (6) persons or entities that Plaintiffs' counsel is, or may be prohibited from representing under Rule 1.7 of the Oklahoma Rules of Professional conduct.

BASIC INFORMATION

1. Why is This Notice Being Sent to You?

You are being sent this Notice because you may be a member of the Class in the Action as described herein. Defendant QEP's records reflect that you have been paid natural gas royalties on natural gas produced from QEP-operated well(s) in Oklahoma, or from well(s) in Oklahoma where QEP, as non-operator, separately marketed gas. This Notice is not intended to be, and should not be construed as, an expression of any opinion with respect to the merits of the allegations in the Petition or Complaint(s) filed in this action. This Notice explains the claims being asserted in the Action, and also explains your right to remain a member of the Class (as explained in Section 6 of this Notice), and your right to opt out of the certified Class (as explained in Section 7 of this Notice).

2. The Lawsuit: *Chieftain Royalty Company and Jack Lancet v. QEP Energy Company*

This Notice explains the Action and your legal rights. The Court in charge of the Action is the United States District Court for the Western District of Oklahoma and the case is known as *Chieftain Royalty Company and Jack Lancet v. QEP Energy Company* (Case No. 5:11-cv-00212-R). Judge David Russell is overseeing the Action.

On March 16, 2012, Judge Russell entered an Order granting in part and denying in part Plaintiff's motion to certify the Action as a class action. On April 4, 2012, Judge Russell entered an Order accepting Plaintiff's Amended Class Definition, which is the definition described on pages 1 and 2 of this Notice. Judge Russell's Order certifying the Class appointed the attorneys for Plaintiffs to act as the attorneys for the Class ("Class Counsel"). The names and addresses of Class Counsel are listed in Section 8 of this Notice.

3. What Is A Class Action?

A class action is a type of lawsuit in which the named plaintiff brings a suit on behalf of other similarly situated persons seeking to recover damages and other relief on behalf of other persons they represent, without the necessity of each person incurring the expense of filing a separate lawsuit, or joining in the lawsuit. Class actions are brought when issues of fact or law are common, making it fair to bind all Class members to the orders and judgments in the case, without the necessity of litigating multiple lawsuits involving similar claims.

4. What Is This Lawsuit About?

The Lawsuit against QEP seeks damages for the alleged underpayments of royalties due the royalty owners in the Class described above on wells operated by

QEP in Oklahoma or on Oklahoma wells where QEP, as non-operator, separately marketed gas. Plaintiffs allege QEP accomplished this through various improper deductions and reductions from royalty payments including, but not limited to, the following: (1) deducting direct and indirect fees for marketing, gathering, compression, dehydration, processing, treatment, and other similar services; (2) not paying royalty on wellhead gas that was used off the lease premises or in the manufacture of products; and (3) not paying royalty on condensate that dropped out of the gas stream.

QEP denies Plaintiffs' claims, and denies any liability to Plaintiffs and to any members of the Class. QEP contends that royalties were calculated and paid in conformance with the terms of the leases and as required by law, that the natural gas was and is a marketable product at the wellhead, and that QEP calculated and paid royalties based upon all proceeds it received from the sale of gas, without taking any improper deductions.

The Court has made no determination with respect to any of the parties' claims or defenses.

A more complete description of the Action, its status, and the rulings made in the Action are available in the pleadings and other papers maintained by the United States District Court Clerk for the Western District of Oklahoma located at 1210 U.S. Courthouse, 200 NW 4th Street, Oklahoma City, OK 73102, in the file for Case No. 5:11-cv-00212-R. Should you have questions regarding the status, rulings or issues in the Action, such questions can be submitted in writing to Class Counsel at the address provided in Section 9 of this Notice.

5. Who Is Included?

If you are or were a royalty owner in Oklahoma wells where QEP Energy Company is or was the operator (or, as a non-operator, QEP separately marketed gas), and you are not specifically excluded from the Class as set forth in the Class definition above, you may be a Class Member.

6. Remaining A Member Of The Class.

If you choose to remain a Class member, **YOU DO NOT NEED TO TAKE ANY ACTION WHATSOEVER.** Class Counsel will represent your interest as a member of the Class. You will not be charged for their services or costs, other than as may be deducted from any settlement amount or judgment, as approved by the Court. You also have the option of entering your appearance in the Action through your own counsel, at your sole cost, if you so desire. However, you will

be bound by the result of the Action, regardless of the outcome, even if no recovery is had. Class members will be barred from bringing any separate legal action against QEP for the claims described in this Notice. If you remain a member of the Class, you will receive notices of, and may participate in, any monetary damages or other relief obtained on behalf of the Class. For this reason, you should notify Class Counsel (in writing at the address provided in Section 8 of this Notice) of any corrections to, or changes in, your name or address.

7. Can I Exclude Myself From The Class?

If you are a member of the Class, you may elect to be excluded from the Class (“Opt Out”). If you elect to be excluded from the Class, you will not be bound by the judgment and final disposition of the Action. You will retain, and will be free to pursue, any claims you may have on your own behalf against QEP. QEP may assert any defenses they may have against you. You may consult with your own attorney, at your sole cost, regarding your rights as well as any defenses available to QEP as to your claims. To be excluded from the Class, you must provide a written election to be excluded from the Class to:

Claims Administrator
P.O. Box 2757
Faribault, MN 55021-9757

An Opt Out Election is enclosed. The Opt Out Election must contain your full name, QEP owners number(s), if known, current address, telephone number and either your signature or the signature of a person authorized to request exclusion from the Class. Your Opt Out Election must be postmarked no later than August 14, 2012.

If you do not request exclusion from the class by August 14, 2012, you will be considered a Class Member and you will be bound by any final judgment or settlement in this Class Action. **Do not request exclusion if you wish to participate in this Action as a Class Member.**

8. Class Counsel

If you do not exclude yourself as described in paragraph 7 above, your interest will be represented by the Class Representatives and their counsel, as Class Counsel, which are:

Robert N. Barnes
Patranell Britten Lewis
Barnes & Lewis, L.L.P.

720 NW 50th Street, Suite 200(B)
Oklahoma City, Oklahoma 73118
(405) 843-0363 telephone
(405) 843-0790 facsimile

Michael Angelovich
Jeffrey J. Angelovich
Bradley E. Beckworth
Brad Seidel
Susan Whatley
Lisa Baldwin
Nix, Patterson & Roach, LLP
205 Linda Drive
Daingerfield, TX 75638
(903) 645-7333 telephone
(903) 645-4415 facsimile

In any written correspondence with Class Counsel, it is important that the envelope and any documents inside contain the following case name and identifying numbers for the Action: *Chieftain Royalty Company and Jack Lancet v. QEP Energy Company*, Case No. 5:11-cv-00212-R. In addition, you should include your full name, QEP owner number(s), if known, address, email address, and telephone number.

REMEMBER, PLEASE DO NOT WRITE OR TELEPHONE THE CLERK'S OFFICE OR THE COURT IF YOU HAVE ANY QUESTIONS ABOUT THIS NOTICE. ANY QUESTIONS CONCERNING THIS NOTICE OR THE LAWSUIT SHOULD BE DIRECTED TO CLASS COUNSEL.

OPT OUT ELECTION

I, _____,
hereby elect to opt out of the class action lawsuit styled *Chieftain Royalty Company and Jack Lancet v. QEP Energy Company*, W.D. Okla., Case No. 5:11-cv-00212-R. I understand that, by opting out of the Class, I will not be entitled to share in, or be bound by, any settlement, judgment, or other disposition of this case. I understand that I may consult with my own attorney, at my own cost, regarding my claims against QEP, as well as any defenses available to QEP as to my claims.

Signed by: _____

Date: _____

NAME: _____

QEP OWNERSHIP NUMBER(S): _____

ADDRESS: _____

TELEPHONE NUMBER: _____

EMAIL ADDRESS: _____

THIS OPT OUT ELECTION MUST BE ACKNOWLEDGED BY A NOTARY PUBLIC.

THIS OPT OUT ELECTION MUST BE POSTMARKED NO LATER THAN AUGUST 14, 2012.

Return to: Claims Administrator
P.O. Box 2757
Faribault, MN 55021-9757

STATE OF)
) SS.
COUNTY OF)

On this ____ day of _____, 2012, before me personally appeared _____, to me known to be the person who executed the foregoing instrument, and acknowledged that he/she executed the same as his/her free act and deed.

Notary Public

My Commission Expires:

Commission Number:

(SEAL)

APPROVED:

/s/Bradley E. Beckworth

Bradley E. Beckworth, OBA #19982
Jeffrey J. Angelovich, OBA #19981
Michael Angelovich
Texas Bar No. 00785666
Neil Smith
Texas Bar No. 00797450
Brad E. Seidel
Texas Bar No. 24008008
Susan Whatley
Texas Bar No. 24047420
Lisa Baldwin
Texas Bar No. 24069334
Nix Patterson & Roach, LLP
205 Linda Drive
Daingerfield, TX 75638
Telephone: (903) 645-7333
Facsimile: (903) 645-4415

Robert N. Barnes, OBA #537
Patranell Lewis, OBA #12279
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Oklahoma City, OK 73118
Telephone: (405) 843-0363
Facsimile: (405) 843-0790

**CLASS COUNSEL AND ATTORNEYS
FOR PLAINTIFFS**

/s/ John F. Shepherd

John F. Shepherd P.C., OBA #20569
Barry C. Bartel, CO Bar #23040
Holland & Hart, LLP
555 17th St.; Ste. 3200
Denver, CO 80202-3979
(303) 295-8000

Max C. Tuepker, OBA #9117
Max C. Tuepker, P.C.
1322 N. Walker Ave.
Oklahoma City, OK 73103
(405) 235-1700

**ATTORNEYS FOR DEFENDANT
QEP ENERGY CO.**

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5/24/12 4:33 PM

This is an automatic e-mail message generated by the CM/ECF system. Please **DO NOT RESPOND** to this e-mail because the mail box is unattended.

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U.S. District Court

Western District of Oklahoma[LIVE]

Notice of Electronic Filing

The following transaction was entered on 5/24/2012 at 4:20 PM CDT and filed on 5/24/2012

Case Name: Chieftain Royalty Company v. QEP Energy Company

Case Number: 5:11-cv-00212-R

Filer:

Document Number: 103

Docket Text:

AGREED FORM OF NOTICE of Pendency of Class Action (ns)

5:11-cv-00212-R Notice has been electronically mailed to:

Robert N Barnes rbarnes@barneslewis.com, amoss@barneslewis.com, bsanger@barneslewis.com, jrabon@barneslewis.com

Max C Tuepker mtuepker@tuepker.com, tuepkeroffice@tuepker.com

Patranell Britten Lewis plewis@barneslewis.com, jrabon@barneslewis.com

Jeffrey J Angelovich jangelovich@npraustin.com, bethgoodman@nixlawfirm.com, ncameron@npraustin.com

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David N Smith dneilsmith@mac.com, tracyrector.nixlaw@me.com

Michael B Angelovich, Sr mangelovich@npraustin.com, ncameron@npraustin.com, tdean@npraustin.com

5:11-cv-00212-R Notice has been delivered by other means to:

The following document(s) are associated with this transaction:

Document description:Main Document

Original filename:n/a

Electronic document Stamp:

[STAMP dcecfStamp_ID=1041971380 [Date=5/24/2012] [FileNumber=2267668-0] [9249b736a1778dbd47142c2ed7e7e3821d60178d4ddc609fc780646be85c6718934 8ee9c76e0fc1d3911b05751ce6ca14759dcb3d38fc254bb9f21ae09eafbdd]]

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Exhibit 1

(Part 2)