

<p>DISTRICT COURT, WELD COUNTY, COLORADO Court address: 901 9th Avenue, Greeley, CO 80631 Mailing Address: P.O. Box 2038, Greeley, CO 80632 Phone Number: 970-351-7300</p>	<p>COURT USE ONLY</p>
<p>Plaintiffs:</p> <p>ESTATE OF JACK HOLMAN, DOROTHY HOLMAN, WARDELL FAMILY PARTNERSHIP and GLEN DROEGEMUELLER, individually and as representative plaintiffs on behalf of all others similarly situated,</p> <p>Defendants:</p> <p>NOBLE ENERGY, INC., NOBLE ENERGY PRODUCTION, INC. and SOCO WATTENBERG CORPORATION,</p>	<p>Case Number 03 CV 9</p> <p>Div.: 4</p>
<p>Attorneys for Plaintiffs: Stow L Witwer, Jr., #4154 Patrick M. Groom, #27313 Witwer, Oldenburg, Barry & Johnson, LLP 822 7th Street, Suite 760 Greeley, CO 80631 Telephone No.: (970) 352-3161 Fax No.: (970) 352-3165 E-mail: switwer@wobjlaw.com pgroom@wobjlaw.com</p>	
<p>CONSOLIDATED CLASS ACTION COMPLAINT</p>	

COME NOW the Estate of Jack Holman, Dorothy Holman, Wardell Family Partnership and Glen Droegemueller (collectively "Plaintiffs"), individually and as representatives of the Class of Plaintiffs described below, by and through their attorneys, and assert claims against the above-named Defendants as follows:

PARTIES

1. The Estate of Jack Holman, Deceased, by William L. Crosier, Special Administrator, is an estate existing in and under the laws of the State of Colorado. Dorothy

Holman is an adult resident citizen of Weld County, Colorado. Wardell Family Partnership is a partnership organized and existing under the laws of the State of Colorado. Glen Droegemueller is an adult resident citizen of Weld County, Colorado. Plaintiffs own interests that entitle them to Royalty interest payments on gas produced by the Defendants from wells that are located in Weld County, Colorado, and within the "Greater Wattenberg Area," which is defined by the Colorado Oil and Gas Conservation Commission as Colorado Townships 2 South to 7 North, Ranges 61 West to 69 West, 6th P.M. The Greater Wattenberg Area includes oil and gas producing properties in Adams, Broomfield, Boulder, Weld, and Larimer Counties, Colorado ("the Subject Counties"). The Greater Wattenberg Area will sometimes be referred to herein as "Wattenberg."

2. Defendant Noble Energy, Inc. is a Delaware corporation whose principal place of business is 100 Glenborough Drive, Suite 100, Houston, Texas.

3. Defendant Noble Energy Production, Inc. is a Delaware corporation whose principal place of business is 1625 Broadway, Suite 2000, Denver, Colorado, and is a wholly-owned subsidiary of Defendant Noble Energy, Inc. Defendants Noble Energy, Inc. and/or Noble Energy Production, Inc. are, by merger or otherwise, successors-in-interest to Patina Oil and Gas Corporation.

4. Defendant SOCO Wattenberg Corporation is a Delaware Corporation whose principal place of business is 1625 Broadway, Suite 2000, Denver Colorado. SOCO Wattenberg is a wholly owned subsidiary of Noble Energy Production, Inc. and was acquired by Noble Energy Production, Inc., or its predecessor, for the purpose of holding oil and gas properties acquired by Noble Energy Production, Inc., or its predecessor, from Snyder Oil Corporation. SOCO Wattenberg is used by Noble Energy Production, Inc. as a mere instrumentality for the transaction of Noble Energy Production, Inc.'s own affairs in Wattenberg without regard to separate and independent corporate existence, and is, for all purposes herein, the alter-ego of Noble Energy Production, Inc. For example, and without limitation, SOCO Wattenberg has no employees; SOCO Wattenberg is not operated as an entity that is separate, independent, and distinct from Noble Energy Production, Inc.; the affairs and operations of SOCO Wattenberg are directed and managed by Noble Energy Production, Inc. and the officers, directors, and/or employees of Noble Energy Production, Inc.; and the Defendants have common offices, including the same principal place of business, intermingle their land, gas production, and accounting operations, intermingle their land, gas production, and accounting files and records, and both use employees of Noble Energy Production, Inc. to direct and conduct their affairs and operations, and otherwise conduct operations in Wattenberg as a single consolidated business unit.

5. The Defendants will sometimes herein be referred to collectively as "Noble."

VENUE AND NATURE OF CLAIMS

6. Venue is proper in this Court pursuant to Rule 98 because, *inter alia*, this action concerns real property situated in Weld County, Colorado.

7. The following definitions apply to this Complaint:

(a) "*Ace-Davis*" means *Ace Royalties, LLC, et al. v. Noble Energy Production, Inc., et al.*, Case No. 05 CV 5633, Denver, Colorado District Court and *Robert A. Davis, et al. v. Patina Oil & Gas Corporation*, Case No. 05 CV 3377, Denver, Colorado District Court.

(b) "Leases" means all documents under which Noble and any Class Member have both owned interests in oil and gas wells or mineral rights located in the Subject Counties, including leases, assignments of leases that convey or reserve overriding royalty interests therein and other documents conveying or reserving royalty or overriding royalty interests in such wells or mineral rights.

(c) "Natural Gas and Liquids" and "Gas" mean natural gas and/or associated liquid hydrocarbons, but do not include oil, condensate or other liquid hydrocarbons recovered by mechanical separators at or near the wellhead and before the natural gas and associated liquid hydrocarbons are both measured for volume and sampled for Btu content.

(d) "Other Working Interest Owners" means working interest owners for whom Noble sells or markets Natural Gas and Liquids pursuant to the Leases and/or pays Royalties.

(e) "Royalty" means royalty and overriding royalty interests in Natural Gas and Liquids.

(f) "Subject Counties" means Adams, Boulder, Broomfield, Larimer, and Weld Counties in Colorado.

8. This action is brought by the Plaintiffs individually and as a class action on behalf of all similarly-situated persons and entities who have received Royalty payments on Gas produced from Wattenberg. The members of the "Class" (as defined hereinafter) will sometimes be referred to jointly as the "Class Members" or "Royalty Owners."

9. This action concerns the underpayment of Royalties by Defendants on Gas produced from Wattenberg. Plaintiffs brings this action against Defendants for declaratory relief and to recover compensation for Royalty under-payments made by Defendants to

Plaintiffs under Leases which obligate Defendants to pay Royalties to Plaintiffs. When an oil and gas lease contains no language allocating such costs to the lessor, the lessee is solely responsible for all of the costs that must be incurred in order to make Gas "marketable" and the lessee cannot apportion any such costs to the persons and entities who receive Royalty payments under the lease. Gas is not "marketable" until the gas is in a physical condition acceptable to be exchanged in a commercial market, and also in a location, the commercial marketplace, where the gas is commercially saleable. Based on the commercial realities of the marketplace for gas produced from Wattenberg, the Gas produced by Defendants from Wattenberg is not in a marketable condition and location until after the Gas has been gathered and processed. As the owner of the lessee's interest under the subject Leases, Defendants are obligated to bear all of the costs of making the Gas produced by Defendants from Wattenberg marketable, but have nevertheless charged costs to the Plaintiffs and Royalty Owners and thereby caused the Plaintiffs and Royalty Owners to be underpaid the true amount of Royalties owed to them. The Plaintiffs, individually and as class representatives, are suing the Defendants to recover damages and declaratory and injunctive relief as a result of such underpayment of Royalties. Claims relating to Royalties owed by USX, Inc. an affiliate of Noble, are not included in this Complaint. Claims relating to Royalties and/or royalty revenues that are attributable to leased federal or Indian lands and are distributed by the United States Department of Interior's Minerals Management Service to, *inter alia*, the State of Colorado, are not included in this Complaint.

CLASS ACTION ALLEGATIONS

10. Pursuant to Colo. R. Civ. P. 23 the class is defined as follows:

All individuals and entities, private or public, to whom Noble has paid or currently is paying Royalties (either directly or indirectly through Duke Energy Field Services ("Duke") or Duke's predecessors or successors, and either on its own behalf or on behalf of Other Working Interest Owners) under Leases on Natural Gas and Liquids produced since January 1, 1997 from wells located in the Subject Counties, according to the business records maintained by Noble. The Class excludes Defendants and their predecessors and successors; the federal government; legally recognized Indian tribes; the *Ace-Davis* Plaintiffs; any persons or entities that own a working interest in any well in the Subject Counties operated by Noble; and any person who currently serves as a judge in either of these civil actions and their spouse.

11. The members of the Class are so numerous that joinder of all members is impractical. Disposition of the claims in this class action will provide substantial benefits to both the parties and the Court.

12. Although the precise number and identity of the Class Members can be ascertained from the books and records of Defendants, Plaintiffs allege, upon information and belief, that the class exceeds several thousand members.

13. There are questions of law and/or fact common to the Class that predominate over any questions affecting individual Class Members. These questions include, but are not limited to, the following:

- a. The methodology and underlying records used by Defendants to calculate Royalties due to the Royalty Owners;
- b. The types of fees, costs, and expenses charged by Defendants to the Royalty Owners;
- c. The methodology and underlying records used by Defendants to calculate the fees, costs, and expenses charged by Defendants to the Royalty Owners;
- d. Whether the fees, costs, and expenses charged by Defendants to the Royalty Owners are improper and/or excessive as a matter of law and/or fact;
- e. Whether the Gas produced from Wattenberg must be treated, compressed, dehydrated, processed, and/or transported in order to create marketable products;
- f. Whether Defendants have charged fees, costs, and expenses to the Royalty Owners that were incurred to make the Gas marketable; and
- g. Whether Defendants have violated their duty to properly account and pay Royalties to the Royalty Owners on Gas produced from Wattenberg as a result of the acts and omissions described herein.

14. The common pattern of conduct by Defendants (along with the common theories for redressing the misconduct) support the maintenance of this action as a class action pursuant to Rules 23(b)(2) and/or 23(b)(3) of the Colorado Rules of Civil Procedure for the relief requested herein.

15. Plaintiffs are committed to prosecuting this action and have retained experienced and competent counsel. Plaintiffs' counsel are experienced in class actions, including actions involving breach of contract, breach of the express and implied covenants of oil and gas leases, and fraudulent conduct. Neither the Plaintiffs nor Plaintiffs' counsel have any interest that might cause them not to vigorously pursue this action.

16. A well-defined community of interest and common questions of law and fact affect the parties represented and to be represented by this class action.

17. The claims of the named Plaintiffs are typical of the claims of the Class, and Plaintiffs have the same interest as the other members of the Class.

18. Plaintiffs are adequate representatives of the Class and will fairly and adequately protect the interests of the Class.

19. A class action is superior to other available methods for the fair and efficient adjudication of this controversy. Absent a class action, many members of the Class will find the litigation costs regarding their claims so prohibitive that it effectively would prevent any redress at law. Because of the size of the individual Class Members' claims, many could not afford to seek legal redress or the relief requested for the wrongs set forth herein. Absent a class action, the Defendants will probably continue the improper and wrongful conduct herein described. Absent a class action, the Class Members will continue to suffer financial losses, violations of the law will continue without remedy, and the Defendants will be allowed to continue to unjustly profit from and harm Class Members.

FACTUAL ALLEGATIONS

20. Defendants operate and own working interests in numerous wells in Wattenberg, and units thereof, and are thereby responsible for the production of Gas from Wattenberg and for various operations, including gathering, treatment, compression, dehydration, processing, and transportation, that are required to create marketable products. The marketable products resulting from Defendants' operations include residue or "dry" gas (primarily methane) and natural gas liquids such as propane, butane, and natural gasoline.

21. The Plaintiffs and the Royalty Owners are owed and have received Royalties from Defendants under Leases in Wattenberg that are owned by Defendants and from which Gas is produced by Defendants. Defendants are responsible for the proper determination, calculation, distribution, and payment of Royalties due and owing to Plaintiffs and the Royalty Owners on Gas produced from Wattenberg.

22. Defendants are solely responsible for all of the costs incurred to make the Gas produced from Wattenberg marketable and cannot apportion such costs to Royalty Owners such as Plaintiffs and Class Members. Notwithstanding, Defendants have improperly charged Plaintiffs and the Royalty Owners with the costs of gathering, treatment, compression, dehydration, processing, transporting, and/or other handling that were necessary to make the Gas marketable.

23. Defendants' obligation to bear all of the costs of making the Gas marketable has not been altered, amended or extinguished by the terms of any division orders that Plaintiffs and the Class Members may have executed. The Plaintiffs' and the Class Members' Leases govern the Defendants' Royalty obligations and the division orders are invalid to the extent they attempt to alter or amend the Leases. Any cost deductions mentioned in such division orders, if any, can only be taken to enhance the value of an already marketable product, and the division orders do not (and cannot, as a matter of law) relieve Defendants of their Lease obligations to bear all of the costs of making the Gas marketable and to otherwise pay the correct Royalties to the Plaintiffs and Class Members.

24. Through the charging of such improper and excessive fees, costs, and expenses to Plaintiffs and the Royalty Owners, Defendants have wrongfully failed to pay the true Royalties owed to the Plaintiffs and Royalty Owners on Gas produced from Wattenberg, and the Plaintiffs and the Royalty Owners have been and continue to be damaged in an amount to be proven at trial.

25. The full extent of the Defendants' wrongful conduct is not currently known, and can only be determined adequately through an accounting and investigation of the Defendants' books, records, and practices, including, without limitation, the marketing of Gas, the calculation and charging of costs, the preparation of Royalty payment statements, and all other matters relating to the Defendants' calculation, payment, and/or reporting of Royalties. Plaintiffs and the Royalty Owners demand and are entitled to receive a full and accurate disclosure of same from the Defendants and to recover all damages they have sustained as a result of the Defendant's wrongful acts and/or omissions.

FIRST CAUSE OF ACTION

(Breach of Contract)

26. Plaintiffs adopt and re-allege all allegations and paragraphs above set forth.

27. The above-described conduct constitutes violations and breaches of the obligations which Defendants owe to Plaintiffs and the Royalty Owners under their Leases.

28. Plaintiffs and the Royalty Owners have been damaged as a result thereof and are entitled to recover their actual damages from the Defendants, statutory or other interest at the maximum lawful rate, and any and all other relief deemed appropriate by the Court.

SECOND CAUSE OF ACTION

(Breach of Implied Marketing Covenant)

29. In stating this Second Claim for Relief, Plaintiffs adopt and re-allege all the allegations and paragraphs above set forth.

30. At all times material to this Complaint, Defendants owed Plaintiffs and the Royalty Owners certain obligations resulting from the implied covenant and duties, including the implied covenant and duty to market.

31. The above-described conduct constitutes violations and breaches of the implied covenant to market owed by Defendants to Plaintiffs and the Royalty Owners.

32. Plaintiffs and the Royalty Owners have been damaged as a result thereof and are entitled to recover their actual damages from the Defendants, statutory or other interest at the maximum lawful rate, and any and all other relief deemed appropriate by the Court.

THIRD CAUSE OF ACTION
(Unjust Enrichment)

33. Plaintiffs adopt and re-allege all allegations and paragraphs above set forth.

34. The Defendants have been unjustly enriched as a result of the wrongful acts and omissions taken by the Defendants as described herein. Contrary to equity and good conscience, and at Plaintiffs' and the Royalty Owners' expense, Defendants have unfairly benefited from the above-described conduct, including Defendants' actions in wrongfully charging Plaintiffs and the Royalty Owners costs to place the Gas produced from Wattenberg in a marketable condition and location.

35. Plaintiffs and the Royalty Owners, in justice and fairness, are entitled to payment of all outstanding Royalty amounts on Gas produced from Wattenberg which unjustly enriched the Defendants, and are further entitled to recover statutory or other interest at the maximum lawful rate, and any and all other relief deemed appropriate by the court.

PRAYER FOR RELIEF

WHEREFORE, PREMISES CONSIDERED, Plaintiffs request, on behalf of themselves and the members of the Class (i.e., the other Royalty Owners), that this Court certify this suit under Rule 23 of the Colorado Rules of Civil Procedure, appoint Plaintiffs as class representatives, and appoint the below-named attorneys as counsel for the Class. Plaintiffs further request that, upon a final trial of this matter, judgment be entered in favor of the Plaintiffs and the Class on all causes of action against the Defendants, jointly and/or severally, awarding them all relief to which they are entitled, including, without limitation, the following:

- a. An order certifying that this suit may be maintained as a class action;
- b. A determination that the Defendants breached obligations owed to Plaintiffs and the Class Members by engaging in the conduct described above;

- c. An order declaring the Defendants liable to Plaintiffs and the Class Members for the wrongful acts, omissions, practices, and schemes described herein, pursuant to which Defendants have avoided payment of the true Royalties owed to Plaintiffs and the Class Members on Gas produced from Wattenberg;
- d. An order enjoining the Defendants from continuing with such wrongful acts, omissions, practices and schemes;
- e. Pursuant to Rule 57, Colo. R. Civ. P., a declaratory judgment establishing the proper method of calculation and payment of future Royalties by the Defendants;
- f. Actual and compensatory damages;
- g. Statutory or other interest at the maximum lawful rate, with such interest accruing from the dates on which the proper Royalties on Gas produced from Wattenberg were first due to Plaintiffs and the Class Members or accruing from such earlier dates as may be appropriate;
- h. An award to class counsel of attorneys' fees and expenses from the common fund and equitable relief created hereby;
- i. An order declaring that the Defendants are financially responsible for notifying all Class Members of this action; and
- j. Such other, further, and/or additional relief to which Plaintiffs and the Class Members may be entitled, the premises considered.

DEMAND FOR JURY TRIAL

Plaintiffs hereby demand a trial by jury on all issues so triable.

Respectfully submitted this 14th day of February, 2007.

Attorneys for the Named Plaintiffs and the
Proposed Class

/s/ Patrick M. Groom

By:

Stow L. Witwer, Jr.
Patrick M. Groom
Witwer, Oldenburg, Barry & Johnson, LLP
822 7TH Street, Suite 760
Greeley, CO 80631

Additional Counsel for the Named Plaintiffs and Proposed Class:

Larry D. Moffett
Daniel Coker Horton & Bell, P.A.
265 North Lamar Blvd., Suite R
P.O. Box 1396
Oxford, MS 38655
Telephone No.: (662) 232-8979
Fax No.: (662) 232-8940

Don Barrett
Barrett Law Office, P.A.
P. O. Drawer 987
Lexington, MS 39095
Telephone No.: (662) 834-2376
Fax No.: (662) 834-2628

David S. Stellings
Nicholas Diamand
Lieff, Cabraser, Heimann
& Bernstein, L.L.P.
780 Third Avenue, 48th Floor
New York, NY 10017-2024
Telephone No.: (212) 355-9500
Fax No.: (212) 355-9592

Patrick Barrett
Alfred Davidson
Barrett Law Office, P.A.
One Burton Hills Blvd., Suite 380
Nashville, TN 37215
Telephone No.: (615) 386-8391
Fax No.: (615) 386-8392

M. Stephen Dampier
Law Offices of M. Stephen Dampier, P.C.
Post Office Box 161
Fairhope, AL 36533-0161
Telephone No.: (251) 928-9160
Fax No.: (251) 928-2834

Steven A. Martino
Lloyd Copeland
Taylor Martino Kuykendall
P.O. Box 894
Mobile, AL 36601
Telephone No.: (251) 433 3131
Fax No.: (251) 433 4207

CERTIFICATE OF SERVICE

I certify that on this the 14th day of February, 2007, a true and complete copy of the above document was served via Lexis Nexis File and Serve upon the following:

Steven J. Merker
Gregory S. Tamkin
Dorsey & Whitney, LLP
4700 Republic Plaza
370 17th Street, Suite 4700
Denver, CO 80202-5647
Telephone No.: (303) 629-3400

Michael J. Gallagher
Gale T. Miller
Davis Graham & Stubbs LLP
1550 Seventeenth Street, Suite 500
Denver, Colorado 80202

/s/ Patrick M. Groom
