

CAUSE NO. DC-12-06318

DAVID NEIGER, derivatively on behalf of	§	IN THE DISTRICT COURT OF
SUN RIVER ENERGY, INC.,	§	
	§	
<i>Plaintiffs,</i>	§	
	§	
v.	§	
	§	
SUN RIVER ENERGY, INC.,	§	DALLAS COUNTY, TEXAS
	§	
<i>Nominal Defendant,</i>	§	
	§	
v.	§	
	§	
DONAL R. SCHMIDT, JR.,	§	
	§	
<i>Defendants.</i>	§	134th JUDICIAL DISTRICT

**ORDER PRELIMINARILY APPROVING
DERIVATIVE SETTLEMENT AND PROVIDING FOR NOTICE**

WHEREAS, the Settling Parties have made application for an order (i) preliminarily approving the settlement (the "Settlement") of derivative claims against Sun River Inc. ("Sun River"), Donal R. Schmidt, Jr. ("Schmidt"), Timothy Wafford ("Wafford"), James Pennington ("Pennington"), Judson F. Hoover ("Hoover"), Robert B. Fields ("Fields"), Stephen W. Weathers ("Weathers"), Mark Hall ("Hall") and Daniel M. Cofall ("Cofall") (collectively "Individual Defendants"), Kevin Casey and Maxwell Resources, Inc., in accordance with a signed agreement of settlement signed October 3, 2014, (the "Agreement"), which, together with the Exhibits annexed thereto, sets forth the terms and conditions for a proposed Settlement and dismissal of this action with prejudice, upon the terms and conditions set forth therein; and (ii) approving for distribution of the Notice of Proposed Settlement ("Notice"); and

WHEREAS, all capitalized terms contained herein shall have the same meanings as set forth in the Agreement (in addition to those capitalized terms defined herein); and

WHEREAS, the Court having considered the Agreement and the Exhibits annexed thereto and relevant filings:

NOW THEREFORE, IT IS HEREBY ORDERED:

1. The Court does hereby preliminarily approve, subject to further consideration at the Settlement Hearing described below, the Agreement and the Settlement set forth therein, including the terms and conditions for settlement and dismissal with prejudice of the claims against Sun River and the Individual Defendants in the Derivative Action.

2. Effective as of the filing of the Unopposed Motion for Preliminary Approval of Settlement, all proceedings, pending deadlines and discovery in the Derivative Action are STAYED.

3. A hearing (the "Settlement Hearing") shall be held before this Court on December 12, 2014 at 9:00 a.m., in the 134th District Court of Dallas County, Texas, 600 Commerce Street, 6th Floor, Dallas, TX 75202, to determine whether the Settlement of the Action on the terms and conditions provided for in the Agreement is fair, reasonable and adequate to the current Sun River shareholders and to Sun River and should be approved by the Court; whether a Judgment as provided should be entered herein, and to award attorneys' fees and expenses to Plaintiffs' Counsel.

4. The Court approves, as to form and content, the Notice annexed as Exhibit A-1 hereto, and finds that the distribution of the Notice substantially in the manner and form set forth in this Order meets the requirements of Texas law and due process, and is the best notice practicable under the circumstances and shall constitute due and sufficient notice to all Persons

entitled thereto.

5. Not later than three calendar days following entry of this Order, Notice shall be issued in accordance with the Agreement.

6. At least seven calendar days prior to the Settlement Hearing, Sun River's counsel shall serve on counsel for the Lead Plaintiffs and file with the Court proof, by affidavit or declaration, of such filing and posting.

7. All Current Sun River shareholders shall be bound by all orders, determinations and judgments in the derivative concerning the Settlement, whether favorable or unfavorable to the current Sun River shareholders.

8. Pending final determination of whether the Settlement should be approved, no current Sun River shareholder, either directly, representatively, or in any other capacity, shall commence or prosecute against any of the Defendants, any action or proceeding in any court or tribunal asserting any of the Released Claims.

9. All papers in support of the Settlement and the award of attorneys' fees and expenses shall be filed with the Court and served at least five calendar days prior to the Settlement Hearing.

10. Any Sun River shareholder holding Sun River common stock as of August 2010 and continuing to hold stock until and through the date of the Settlement Hearing ("Current Sun River Shareholder") may appear and show cause, if he, she or it has any reason why the Settlement of the Action should not be approved as fair, reasonable and adequate, or why a Judgment should not be entered thereon, or why the attorneys' fees and expenses agreed upon by the Settling Parties should not be awarded to Plaintiffs' Counsel; provided, however, unless otherwise ordered by the Court, no Current Sun River Shareholder or other person shall be heard or entitled to contest the

approval of the terms and conditions of the Settlement, or, if approved, the Judgment to be entered thereon approving the same, or the attorneys' fees and expenses to be awarded to Plaintiffs' Counsel unless that Person has, at least ten calendar days prior to the Settlement Hearing, filed with the Clerk of the Court and served on the following counsel (delivered by hand or sent by certified mail return receipt requested) appropriate proof of stock ownership in Sun River from August 2010 to the present, along with written objections, including the basis therefore, and the addressing the adequacy of their representation as a shareholder derivative plaintiff under Colorado law by affidavit, and copies of any papers and briefs in support thereof to the following counsel:

William B. Federman
FEDERMAN SHERWOOD
10205 N. Pennsylvania Ave
Oklahoma City, OK 73120

Counsel for Plaintiffs

David R. Clouston
SESSIONS FISHMAN NATHAN & ISRAEL, LLC
Founders Square
900 Jackson Street, Suite 440
Dallas, TX 75202

Lars L. Berg
KELLY, HART & HALLMAN, LLP
201 Main St., Suite 2500
Fort Worth, TX 76102

Richard Roper, III
THOMPSON & KNIGHT, LLP
One Arts Plaza
1722 Routh St., Suite 1500
Dallas, TX 75201

Counsel for Defendants

The written objections and copies of any papers and briefs in support thereof to be filed in Court shall be delivered by hand or sent by first class mail to:

134th District Court
Dallas County Texas
600 Commerce Street, 6th Floor
Dallas, TX 75202


Any Current Sun River Shareholder or other person who does not make his, her or its objection in the manner provided herein shall be deemed to have waived such objection and shall forever be foreclosed from making any objection to the fairness, reasonableness or adequacy of the Settlement as incorporated in the Agreement and to the award of attorneys' fees and expenses to Plaintiffs' Counsel, unless otherwise ordered by the Court, but shall otherwise be bound by the Judgment to be entered and the releases to be given.

11. Neither the Agreement nor the Settlement, nor any act performed or document executed pursuant to or in furtherance of the Agreement or the Settlement: (a) is or may be deemed to be or may be offered, attempted to be offered or used in any way by the Settling Parties as a presumption, a concession or an admission of, or evidence of, any fault, wrongdoing or liability of the Defendants or of the validity of any Released Claims; or (b) is intended by the Settling Parties to be offered or received as evidence or used by any other person in any other actions or proceedings, whether civil, criminal or administrative. The Released Persons may file the Agreement and/or a Judgment in any action that may be brought against them in order to support a defense or counterclaim based on principles of *res judicata*, collateral estoppel, full faith and credit, release, good faith settlement, judgment bar or reduction or any other theory of claim preclusion or issue preclusion or similar defense or counterclaim.

12. The Court reserves the right to adjourn the date of the Settlement Hearing or modify any other dates set forth herein without further notice to the Current Sun River Shareholders, and

retains jurisdiction to consider all further applications arising out of or connected with the Settlement. The Court may approve the Settlement, with such modifications as may be agreed to by the Settling Parties, if appropriate, without further notice to the current Sun River shareholders.

IT SO ORDERED on this the 10th day of October, 2014.


THE HONORABLE DALE TILLERY
134TH DISTRICT COURT
DALLAS COUNTY, TEXAS

A hearing will be held before the 134th District Court, at 600 Commerce Street, Dallas, TX 75202 at 9:00 a.m., on, December 12, 2014 to determine whether the proposed Settlement should be approved by the Court as fair, reasonable, and adequate; (ii) to determine whether the Released Claims against Sun River and the Individual Defendants should be dismissed with prejudice; and (iii) reasonable and necessary attorneys' fees and expenses to Derivative Plaintiffs Counsel ("Settlement Hearing").

IF YOU ARE A CURRENT SUN RIVER SHAREHOLDER, YOUR RIGHTS WILL BE AFFECTED BY THE PENDING ACTION AND THE SETTLEMENT.

This notice contains only a summary of the terms of the Settlement. For a more detailed statement of the matters involved in the derivative action, reference is made to the Stipulation, which may be inspected at the Office of the Clerk, 600 Commerce Street, Dallas, TX 75202, during business hours of each business day.

Any objections to the proposed Settlement, must be filed with the Court and delivered to Plaintiffs' Counsel and Defendants' Counsel no later than ten (10) days prior to the Settlement Hearing, at the following addresses:

William B. Federman
FEDERMAN & SHERWOOD
10205 N. Pennsylvania Ave.
Oklahoma City, OK 73120

Counsel for Derivative Plaintiffs

David R. Clouston
SESSIONS FISHMAN
NATHAN & ISRAEL, LLC
Founders Square
900 Jackson Street, Suite 440
Dallas, TX 75202

Lars L. Berg
KELLY, HART &
HALLMAN, LLP
201 Main St., Suite 2500
Fort Worth, TX 76102

Richard Roper, III
THOMPSON & KNIGHT,
LLP
One Arts Plaza
1722 Routh St., Suite 1500
Dallas, TX 75201

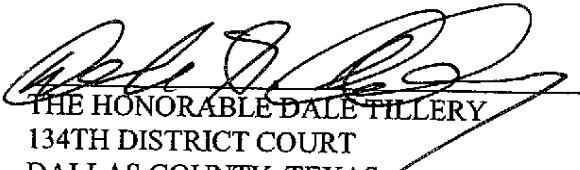
PLEASE DO NOT CONTACT THE COURT OR SUN RIVER REGARDING THIS NOTICE.

Objections to the settlement must contain proof of continuous ownership throughout the relevant period, from August 2010 to the present. Objections must also state why the proposed settlement is not in the best interests of the Company and how the objector meets the criteria of an adequate shareholder representative under Colorado law by affidavit.

Inquiries may be made to Plaintiffs' Counsel:

William B. Federman
FEDERMAN & SHERWOOD
10205 N. Pennsylvania Ave.
Oklahoma City, OK 73120

DATED: October 10, 2014


THE HONORABLE DALE TILLERY
134TH DISTRICT COURT
DALLAS COUNTY, TEXAS

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