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SUPERIOR COURT OF THE STATE OF CALIFORNIA

FOR THE COUNTY OF KERN

13 Scott Carney, Romein Martinez, Donovan Last,  
14 and Michael Kaveler,

15 Plaintiffs,

16 vs.

17 California Resources Corporation, Geo Drilling  
18 Fluids, Inc., M-I, LLC, and Does 1 through 10,  
19 Defendants.

20 And related cross-actions.  
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**Kern County Superior Court**  
**By Marina Mercado, Deputy**

**Case No. BCV-15-101729**

**CLASS ACTION**

*(Assigned to the Hon. Bernard C. Barmann, Jr.  
– Dept. H)*

**Memorandum of Points and Authorities in  
Support of Motion for Preliminary  
Approval of Class Action and PAGA  
Settlement**

Date: September 15, 2025

Time: 8:30 a.m.

Dept.: H

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1     **I.     INTRODUCTION**

2             This is a settlement between Plaintiffs Scott Carney, Romein Martinez, Donovan Last, and  
3 Michael Kaveler (collectively “Plaintiffs”) on one hand, and Defendants California Resources  
4 Corporation (“CRC”), Geo Drilling Fluids, Inc. (“GEO”), and M-I, LLC (“MI”) on the other hand. The  
5 class members in this case are “mud men” or “Drilling Fluid Specialists” (sometime known by other  
6 names) who worked in the oil fields in California, primarily in the Kern County area.

7             The settlement before the Court resolves more than just one case. The case before this Court was  
8 the first case (“the *Carney* case”). It was initially filed in December of 2015 and will certainly cross the  
9 **10-year** mark before the settlement is approved, the settlement money is distributed, and all orders are  
10 finally entered. The docket in the *Carney* case has more than 820 entries. This settlement not only settles  
11 the *Carney* case but also a second case against MI that was initially filed in California State Court and  
12 removed to Federal Court entitled *Last v. M-I, LLC*, Case No. 1:20-cv-01205-KES-EPG (“the *Last*  
13 case”). The *Last* case itself alone has more than 100 docket entries. Moreover, the covered period for the  
14 CRC Class spans from December 29, 2011, through November 27, 2021 and the Last Class spans from  
15 May 20, 2016, through July 4, 2020. Finally, this settlement also settles very complicated cross-  
16 indemnity claims between CRC and MI that are part of the *Carney* case.

17             In these combined cases, there has been extensive written discovery and motion practice.  
18 Additionally, the settlement deal in concept was struck on or about July 3, 2024 and was not fully signed  
19 until June 19, 2025. (Blanchard Decl., ¶13.) These very extensive arm’s length settlement negotiations  
20 literally left no stones unturned in terms of the settlement details. In summary, the *Carney* case and the  
21 combined indemnity claims in the *Carney* case and the *Last* Federal Court case have been very, very  
22 difficult and were hard-fought disputes. The settlement of these cases will result in a significant recovery  
23 for a relatively small group of class members -- a gross settlement amount of \$18 million to resolve the  
24 claims of slightly more than 289 class members, which accounts for almost 19,000 work weeks.

25             As stated above, CRC, Geo and MI collectively will pay \$18,000,000 (“Gross Settlement  
26 Amount”) under the terms of the proposed settlement. The allocation of the funding of the Gross  
27 Settlement Amount has been resolved between CRC, Geo and MI in a separate confidential Allocation  
28

1 Agreement. Under the terms of the proposed settlement, the \$18 million settlement amount will be *pre-*  
2 *funded* by CRC, GEO and MI into a settlement administrators account. The pre-funding deadline is  
3 August 15, 2025. As a result, before preliminary approval will be heard by this Court, the settlement  
4 amount should be completely funded. This pre-funding will be confirmed by the parties no later than the  
5 hearing on this motion for preliminary approval.

6 This settlement is a common fund settlement with no reversionary amount to CRC, Geo and/or  
7 MI. Subject to the terms and conditions of the settlement agreement, the Settlement Amount shall be  
8 deemed in satisfaction of the claims against CRC, GEO and MI: (1) all wages, penalties, interest, and/or  
9 other amounts to be paid to Class Members (as more fully described in the settlement agreement); (2)  
10 the payment to the Labor and Workforce Development Agency (“LWDA”) pursuant to the Private  
11 Attorneys General Act (the “PAGA”); (3) attorney’s fees and costs of Class Counsel; (4) the service  
12 payments to the Class Representatives approved by the Court; (5) a general release payment to Plaintiff  
13 Martinez for his participation in the case; (6) a payment to Plaintiff Carney to settle his wrongful  
14 termination claim against Geo; and (7) settlement administration fees.

15 This motion incorporates by reference the definitions in the Stipulation of Class Action and  
16 PAGA Settlement and Release (the “Settlement Agreement”), a copy of which is attached as *Exhibit 1*  
17 to the Declaration of Lonnie C. Blanchard III filed herewith.

18 Subject to Court approval, the following amounts shall be paid from the Gross Settlement  
19 Amount:

- 20 a. An attorney’s fees award to Class Counsel of up to \$6,000,000 (which is one-third  
21 of the Settlement Amount);
- 22 b. An attorneys’ costs award in the amount of the costs and expenses incurred by  
23 Class Counsel (which are estimated to be less than \$200,000);
- 24 c. Class representative enhancement awards to Scott Carney, Donovan Last, and  
25 Michael Kaveler of up to \$10,000 each;
- 26 d. A payment to Plaintiff Romein Martinez in the amount of \$10,000 for his  
27 participation in this action and execution of a general release of his claims
- 28 e. A payment to Plaintiff Carney in the amount of \$20,000 for the release of his  
wrongful termination claims against Geo;

- 1           f.       A PAGA payment of \$500,000, of which 75% (\$375,000) shall be paid to the  
2               LWDA and 25% (\$125,000) shall be made available for distribution to the PAGA  
3               Employees; and  
4           g.       Claims Administrator fee not to exceed \$10,711.00.

5           The net funds remaining after such deductions will be allocated between the Participating Class  
6           and PAGA Members as discussed below.

7           Under the terms and conditions of the settlement agreement and should the Court grant  
8           Preliminary Approval, Plaintiffs will file a Third Amended Complaint naming M-I, LLC (“MI”) as a  
9           defendant in this action and adding Michael Kaveler as a named plaintiff and Class Representative for  
10          the *Last* Class. The addition of Kaveler as a named Plaintiff and MI as a defendant is intended to fully  
11          encompass the claims asserted against MI in the *Last* Action and to fully resolve the *Last* Action through  
12          this settlement agreement. This Third Amended Complaint is attached as ***Exhibit 3*** to the Settlement  
13          Agreement.

14          The Settlement Agreement contains all the material terms of the settlement, the contingencies  
15          and conditions to the settlement’s final approval, and other necessary and proper terms. By this motion,  
16          the Parties request that the Court take the first step of the approval process in granting preliminary  
17          approval of this class action and PAGA settlement.

18          In determining whether preliminary approval is warranted, the issue before the Court is whether  
19          the settlement is within the range of what might be found fair, reasonable, and adequate so that notice of  
20          the settlement may be given to Class Members and a hearing scheduled to consider final settlement  
21          approval. The Court is not required at this point to make a final determination as to the fairness of the  
22          settlement. (*See* 5 James Wm. Moore, Moore’s Federal Practice ¶ 23.83[1], at 23-336.2 to 23-339 (3d  
23          ed. 2002).)

24          Because the settlement meets the criteria for preliminary approval and is well within the range of  
25          what might be approved as fair, reasonable, and adequate, Plaintiffs request that the Court enter the  
26          proposed Preliminary Approval Order lodged herewith.  
27  
28

1 **II. SUMMARY OF THE LITIGATION**

2 **A. Named Plaintiffs' Claims**

3 On December 21, 2015, Plaintiff Scott Carney filed a Class Action Complaint in the Superior  
4 Court of the County of Kern, California against CRC and Geo, *inter alia*. On March 25, 2020, a First  
5 Amended Class Action Complaint was filed adding Romein Martinez as an additional Plaintiff. On  
6 March 9, 2021, a Second Amended Complaint was filed adding Donovan Last as an additional Plaintiff.  
7 The Parties agree and stipulate that Plaintiffs will file a Third Amended Complaint naming MI as a  
8 defendant in the *Carney* Action and adding Michael Kaveler as a named plaintiff and Class  
9 Representative for the *Last* Class. (See Blanchard Decl., ¶¶7-13 for a more detailed summary of these  
10 cases.)

11 Plaintiffs allege that CRC, Geo, and MI were the Class Members' joint employers and, among  
12 other things, that each of them failed to pay the Class Members for all hours worked, failed to pay them  
13 the overtime to which they were entitled, failed to provide meal and rest periods, failed to provide legally  
14 compliant wage statements, and failed to pay all wages owed upon termination. Plaintiffs Carney and  
15 Last also allege claims under the PAGA.

16 CRC, Geo and MI each deny all the Plaintiffs' allegations. CRC and MI each further deny the  
17 allegations made against the other in their respective cross-complaints.

18 As indicated above, the Parties engaged in very extensive litigation, including formal discovery  
19 requests, depositions of named plaintiffs and other putative class members and defense witnesses,  
20 numerous discovery motions, defense summary judgment motions, and the filing of motions for class  
21 certification in each of the actions, which the Court granted in the *Carney* case. As part of the discovery  
22 in the case, CRC, Geo and MI and/or third parties produced extensive data and documents, including  
23 personnel records for the named plaintiffs, company policies, and other related documents showing the  
24 number of shifts worked by the Class Members and Class Members' wage rates. (Blanchard Decl., ¶13.)

25 **B. Discovery and Investigation**

26 Class Counsel have conducted a thorough investigation into the facts of these Actions and have  
27 diligently pursued an investigation of the Class Members' claims against Defendants, including: (1)  
28 interviewing Class Members, analyzing the results of Class Member interviews, and obtaining



1 declarations of some Class Members; (2) reviewing tens of thousands of pages of relevant documents;  
2 (3) researching the applicable law and the potential defenses; (4) reviewing and analyzing more than a  
3 million cells of data relating to the number of shifts worked by Class Members and pay data; and (5)  
4 retaining an expert to make extensive calculation damages and penalties exposure. Based on their own  
5 independent investigation and evaluation, Class Counsel believe that the Settlement Agreement is fair,  
6 reasonable, and adequate and is in the best interest of the Settlement Classes considering all known facts  
7 and circumstances, including the risk of significant delay, defenses asserted by Defendants and potential  
8 appellate issues. (Blanchard Declaration, ¶70.)

### 9 **III. SUMMARY OF SETTLEMENT<sup>1</sup>**

#### 10 **A. Conditional Certification for Settlement**

11 The Parties have agreed to conditional certification of the following settlement classes for  
12 settlement purposes:

##### 13 **CRC CLASS**

14 All persons who, at any time from December 29, 2011 through November 27, 2021  
15 worked at any of the drill sites operated by California Resources Corporation, including  
16 the California operations of California Resources Production Corporation (formerly  
17 known as Vintage Production California LLC), California Resources Petroleum, LLC  
18 (formerly known as Vintage Petroleum LLC) OXY USA, Inc. and Occidental Petroleum  
19 Corporation and all other former California operations of Occidental Petroleum  
20 Corporation and its affiliates (collectively “CRC”) in California in job positions titled  
21 Drilling Fluid Specialist (mud man, Levels I-IV and mud man Senior), mud engineer,  
22 mud man Trainee, mud man consultant, and/or equivalent job titles who were employed  
23 by CRC or who were provided by GEO Drilling Fluids, Inc. or M-I LLC to CRC to  
24 provide drilling fluids related services and who have not released CRC from the claims in  
25 the *Carney* Action for all periods during the CRC Covered Period and who are listed in  
26 Exhibit 1 to the Settlement Agreement under the table titled “CRC Class.”

##### 27 **LAST CLASS**

28 All persons who, at any time from May 20, 2016 through July 4, 2020 worked in  
California in job positions titled Drilling Fluid Specialist (mud man, Levels I-IV and mud  
man Senior), mud engineer, mud man Trainee, mud man consultant, and/or equivalent  
job titles who were employed by M-I or who were provided by M-I to any of M-I’s  
customers other than CRC to provide drilling fluids related services and who have not  
released M-I from the claims in the *Last* Action for all periods during the Last Covered

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<sup>1</sup> A more detailed summary of the settlement terms is set forth in the Declaration of Lonnie C. Blanchard III filed herewith.

Period and who are listed in Exhibit 1 to the Settlement Agreement under the table titled “Last Class.”<sup>2</sup>

**B. Settlement Class Benefit**

**1. Settlement Amount**

The Parties agree to settle the Action for a Settlement Amount of \$18,000,000.00.

**2. Net Settlement Amount**

The following amounts shall be deducted from the Settlement Amount:

**a) LWDA Payment**

The Parties have agreed to allocate \$500,000 for the resolution of all PAGA Members’ claims under the PAGA, defined as the PAGA Payment, 75% of which will be remitted to the LWDA. The remaining 25% will remain available as part of the Maximum Settlement Distribution Amount to PAGA Members.

**b) Enhancement Awards to Class Representatives**

Plaintiffs incurred substantial risk in undertaking this litigation, including the potential liability for costs of suit. Defendants will not oppose Plaintiffs’ request for enhancement awards of up to \$10,000 to Plaintiff Carney, Last and Kaveler. This amount will be paid from the Gross Settlement Amount. If the Court reduces the enhancement award to an amount less than \$10,000 each, the un-awarded amount shall be added into the Maximum Settlement Distribution Amount and will be available to the Class Members for distribution. (Blanchard Decl., ¶14.)

The use of enhancement awards or incentive payments to lead plaintiffs in class actions has long been approved by California courts. (*See In re Cellphone Fee Termination Cases* (2010) 186 Cal.App.4th 1380, 1393 [113 Cal.Rptr.3d 510, 520], *as modified* (July 27, 2010); *Bell v. Farmers Ins. Exchange* (2004) 115 Cal.App.4th 715, 725–26 [9 Cal.Rptr.3d 544, 554], *as modified on denial of reh’g* (Mar. 9, 2004); *Munoz v. BCI Coca-Cola Bottling Co. of Los Angeles* (2010) 186 Cal.App.4th 399, 412 [112 Cal.Rptr.3d 324, 334].) Named plaintiffs are generally entitled to incentive compensation for initiating the litigation on behalf of absent class members, taking the time to prosecute the case, and incurring

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<sup>2</sup> The Parties understand and contemplate that some *Carney* Class Members will be included in the *Last* Class due to their time spent working for operators other than CRC during the *Last* Class Period.

1 financial and personal risk. (*Clark v. American Residential Services LLC* (2009) 175 Cal.App.4th 785,  
2 803 [96 Cal.Rptr.3d 441, 454] (reiterating the rule that “An incentive award is appropriate if it is  
3 necessary to induce an individual to participate in the suit.”); *Van Vranken v. Atlantic Richfield Co.* (N.D.  
4 Cal. 1995) 901 F.Supp. 294, 300 (approving \$50,000 participation award).)

5 Here, the incentive award is lower than awards found to be fair and reasonable in other cases. (*Id.*  
6 (holding that incentive award of \$50,000 to each named plaintiff was fair and reasonable); *Glass v. UBS*  
7 *Financial Services, Inc.* (N.D. Cal., Jan. 26, 2007, No. C-06-4068 MMC) 2007 WL 221862, at \*16, *aff’d*  
8 (9th Cir. 2009) 331 Fed.Appx. 452 (approving incentive award of \$25,000 for each of four named  
9 plaintiffs).)

10 Plaintiffs have taken extraordinary steps to challenge the actions of CRC, Geo and MI by bringing  
11 this action. Plaintiffs did so based upon the belief that they and the class members were entitled to the  
12 relief sought in this case. Plaintiffs’ actions have resulted in a substantial recovery for the class members,  
13 and the enhancement awards sought for Plaintiffs are reasonable. Absent the actions taken by Plaintiffs,  
14 none of the Class Members would have reaped the rewards of this action. (Blanchard Decl., ¶15.)

15 **c) Attorney’s Fees and Litigation Costs to Class Counsel**

16 Defendants agree not to oppose an award of attorney’s fees to Class Counsel of up to \$6,000,000  
17 of the Settlement Amount, which is one-third of Settlement Amount, to compensate and reimburse Class  
18 Counsel for all of the work already performed by Class Counsel in this case and all of the work that  
19 remains to be performed by Class Counsel in securing Court approval of the Settlement preliminarily  
20 and finally, ensuring that the Settlement is implemented and administered fairly, and obtaining entry of  
21 Judgment. (Blanchard Decl., ¶16.)

22 These fees shall be in addition to the payment of litigation costs and expenses incurred by Class  
23 Counsel, in an amount estimated not to exceed \$200,000, as awarded by the Court. (Blanchard Decl.,  
24 ¶17.) If the Court reduces the attorney’s fees award or litigation costs requested by Class Counsel, the  
25 un-awarded amount shall be added into the Net Settlement Amount to be available to the Class Members  
26 for distribution.  
27  
28

1 In *Chavez v. Netflix, Inc.* (2008) 162 Cal.App.4th 43 [75 Cal.Rptr.3d 413] the court stated “fees  
2 based on a percentage of the benefits are in fact appropriate in large class actions when the benefit per  
3 class member is relatively low....” (*Id.* at p. 63, 75 Cal.Rptr.3d 413.) The Court further stated: “Empirical  
4 studies show that . . . fee awards in class actions average around one-third of the recovery.” (*Id.*, citing  
5 *Shaw v. Toshiba America Information Systems, Inc.* (E.D. Tex. 2000) 91 F.Supp.2d 942, 972. See  
6 *Consumer Cause, Inc. v. Mrs. Gooch’s Natural Food Markets, Inc.* (2005) 127 Cal.App.4th 387, 397 [25  
7 Cal.Rptr.3d 514, 519], as modified on denial of reh’g (Mar. 30, 2005) (the common fund doctrine is  
8 “frequently applied in class actions when the efforts of the attorney for the named class representatives  
9 produce monetary benefits for the entire class”).)

10 The one-third fee award agreed to be paid by Defendants is also in line with other fee awards in  
11 California wage and hour class actions. Plaintiffs’ Counsels’ request for attorney’s fees of one-third of  
12 the \$18,000,000 gross settlement is fair and reasonable. In fact, this amount is well-earned, supported by  
13 controlling case law, and is within the fee range awarded by courts in similar complex cases. Courts in  
14 class actions have awarded one-third of common funds obtained by class counsel in many state and  
15 federal court cases. (See Blanchard Decl., ¶18.)

16 Class Counsel are being paid entirely on a contingency basis. The work performed by Class  
17 Counsel was extensive. ***End-to-end, the work performed by Class Counsel on these cases will ultimately***  
18 ***extend beyond 10 years.*** In litigating this case against Defendants, Plaintiffs and Class Counsel faced  
19 serious risks, including the risk that Plaintiffs’ theory of liability may ultimately be rejected by the Court  
20 or Court of Appeal. Despite the many risks faced by Class Counsel, Class Counsel nevertheless achieved  
21 an outstanding result for the Settlement Class. (Blanchard Decl., ¶19.)

22 Class Counsel took on this representation aware of the risks involved and with the full intention  
23 of seeing it to the end, including through any appeals. Also, Class Counsel were opposed by attorneys  
24 from experienced and well-qualified defense firms with the resources of large corporate clients at its  
25 disposal. (Blanchard Decl., ¶20.)

26 Given the highly uncertain current landscape of the legal issues involved, coupled with the  
27 ensuing risks of lengthy appeals and risk of no recovery, the excellent result achieved shows that the  
28

amounts allocated to both attorney's fees and costs under the Settlement warrant this Court's approval. (Blanchard Decl., ¶21.)

Class Counsels' requested attorney's fees are also justified under the lodestar method. Using Class Counsels' normal hourly rates, the "lodestar" fees incurred by Class Counsel (excluding paralegal hours for The Blanchard Law Group, APC and Peter R. Dion-Kindem, P.C.) and estimated to be incurred is as follows:

| Attorney                | Hours | Rate          | Fees                  |
|-------------------------|-------|---------------|-----------------------|
| Lonnie C. Blanchard III | 3,470 | \$1,141       | \$3,959,270.00        |
| Peter R. Dion-Kindem    | 2,362 | \$1,141       | \$2,695,042.00        |
|                         |       | <b>Total:</b> | <b>\$6,654,312.00</b> |
|                         |       | Fees Sought:  | \$6,000,000.00        |
|                         |       | Multiplier:   | <b>0.90</b>           |

(Blanchard Decl. ¶22.)

**d) Claims Administration Expenses**

The Claims Administrator has estimated that the settlement administration expenses will not exceed \$10,711.

**e) Plaintiff Romein Martinez Release**

Plaintiff Martinez will receive \$10,000 for his execution of a general release as set forth in the Settlement Agreement.

**f) Plaintiff Scott Carney's Release for Wrongful Termination**

Plaintiff Carney will receive \$20,000 for the release of his wrongful termination claim against Geo.

**3. Calculation and Distribution of the Net Settlement Amount**

The maximum settlement distribution amount available to Participating Class Members shall be distributed using the Damages and Penalties Analysis attached as *Exhibit 1* to the Settlement Agreement. If any of the Class Members listed on *Exhibit 1* opt out, *Exhibit 1* will be revised to exclude the data for such Class Member.

For tax purposes, 10% of the portions of the individual payments to the Participating Class Members will be treated as wages. The remaining 90% of the individual payments to the Participating

1 Class Members and payments to the PAGA Employees will be treated by the Parties as additional, non-  
2 wage damages and interest and will not be subject to payroll withholdings. It shall be reported on an IRS  
3 Form 1099, divided evenly between Box 3 and Box 7, which is to be provided by the Settlement  
4 Administrator. The portions of the individual payments to the Participating Class Members that will be  
5 treated by the Parties as wages will be subject to applicable payroll withholdings and shall be reported  
6 on IRS Form W-2, which is to be provided by the Settlement Administrator. Defendants shall agree  
7 between themselves and separately pay in addition to the Gross Settlement Amount employer-side  
8 payroll taxes with respect to the 10% allocated to wages. (Blanchard Decl. ¶37.)

9 If the Court's approval of any of the costs and/or awards differ from the analysis attached as  
10 *Exhibit 1* to the Settlement Agreement, *Exhibit 1* will be revised to reflect the change in amounts.

#### 11 **4. PAGA Payment**

12 PAGA Payments will be distributed to the PAGA Employees as set forth in *Exhibit 1* to the  
13 Settlement Agreement. PAGA Payments to PAGA Employees shall be treated as non-wage payments.

#### 14 **IV. REASONS WHY SETTLEMENT SHOULD BE APPROVED**

15 Class Counsel believe that the payments under the Settlement Agreement reasonably and  
16 adequately compensate the Class Members for the harm they allegedly suffered for the claims being  
17 released considering the risks of litigation. There are numerous risks in continuing with this litigation,  
18 including the possibility of being unable to: (1) maintain certification of the relevant classes, (2) prove  
19 that the Class Members who were treated as independent contractors were misclassified by each of CRC,  
20 Geo and MI as applicable, (3) prove that Class Members were nonexempt versus exempt employees, (4)  
21 prove that CRC, Geo and MI each in fact committed the wrongful acts related to the California wage and  
22 hourly law alleged, and (3) prove that the Class Members were damaged as a proximate result of the  
23 wrongful acts of each of CRC, Geo and MI.

24 Preliminary approval of the settlement should be granted if there are no "grounds to doubt its  
25 fairness or other obvious deficiencies, such as unduly preferential treatment of class representatives or  
26 segments of the class, or excessive compensation for attorneys, and appears to fall within the range of  
27 possible approval." (Manual for Complex Litigation, section 30.41, at 236-37 (3d ed. 1995).) This  
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1 proposed settlement satisfies the standard for preliminary approval because it is within the range of  
2 possible approval and there are no grounds to doubt its fairness.

3 **A. A presumption of fairness is applicable to this Settlement.**

4 There is a presumption that a proposed settlement is fair and reasonable when it is the result of  
5 arms-length negotiations. (*See* 2 Herbert Newberg & Alba Conte, *Newberg on Class Actions* § 11.41 at  
6 11-88 (3d ed. 1992); *Manual For Complex Litigation* (Third) § 30.42.) Indeed, a trial court is directed to  
7 operate under a presumption of fairness when, *inter alia*, the settlement is the result of arms-length  
8 negotiations, there has been investigation and discovery that are sufficient to permit counsel and the court  
9 to act intelligently, and counsel are experienced in similar litigation. (*See Dunk v. Ford Motor Co.* (1996)  
10 48 Cal.App.4th 1794, 1800–01 [56 Cal.Rptr.2d 483], *as modified* (Sept. 30, 1996).)

11 The proposed settlement herein is the product of many hours of arms-length negotiations between  
12 Plaintiffs' counsel and defense counsel, which negotiations included multiple formal, full-day mediation  
13 sessions, first with Hon. Linda Quinn, which ultimately failed and then 2 additional mediations with  
14 Tripper Ortman. The information exchanged by the Parties is sufficient to reliably assess the merits of  
15 the parties' respective positions and to compromise the issues on a fair and equitable basis. Plaintiffs'  
16 counsel has done an extensive investigation, including legal research, reviewing extensive  
17 documentation and payroll records and analyzing same. In addition, the parties are represented by  
18 counsel with significant experience in class action litigation, including employment litigation.  
19 (Blanchard Decl., ¶¶12-13, 70.)

20 **B. Risk Analysis - The Settlement falls within the range of possible approval.**

21 Plaintiffs' expert has made a calculation of what could be the maximum potential damages in this  
22 case. This amount is approximately \$84,984,061 million dollars. This amount has *not* been probability  
23 adjusted for the risks of failing to prevail on all of Plaintiffs' claims. As a result, before probability  
24 adjustment this \$18 million settlement represents 21.18% of the Plaintiffs' expert's calculation of  
25 maximum potential damages in this case. Assuming probability adjustments of 80%, 70% and 60%, the  
26 settlement of \$18 million creates percentages of the potential recovery of 26.47%, 30.26% and 35.30%  
27 respectively. All these percentages show that this settlement is a very favorable and reasonable settlement  
28

1 worthy of preliminary and final approval. (Blanchard Decl., ¶68.) In terms of risks of taking this matter  
2 to trial, in opposition to Plaintiffs' claims, CRC, Geo and MI have proffered many defenses. (These  
3 defenses are enumerated in the Blanchard Decl., ¶71.) These defenses pose risks of failing to prevail  
4 which also support preliminary approval of this settlement. (Blanchard Decl., ¶72.)

5 **C. The Classes should be preliminarily certified for settlement purposes.**

6 Class certification is authorized when "the question is one of a common or general interest, of  
7 many persons, or when the parties are numerous, and it is impracticable to bring them all before the  
8 court." (Code of Civ. Proc. § 382.) Under California law, there are two certification prerequisites: (1) the  
9 existence of an "ascertainable class," and (2) "a well-defined community of interest in the questions of  
10 law and fact involved affecting the parties to be represented." (*Daar v. Yellow Cab Co.* (1967) 67 Cal.2d  
11 695, 704 (citation omitted).) As the Court is aware, certain class claims were previously certified in the  
12 *Carney* case. (See Amended Order Granting Class Certification entered on April 14, 2020.) For purposes  
13 of the settlement approval, the parties request that the Court certify the settlement classes as defined by  
14 the settlement agreement for settlement purposes in order to comply with and effectuate the terms and  
15 conditions of the settlement agreement.

16 **1. The settlement classes are ascertainable because the class members can be**  
17 **identified by CRC, Geo and MI's own business records.**

18 Ascertainability issues concern (1) the class definition, (2) the size of the class, and (3) the means  
19 of identifying class members. Here, the identity of the class members is easily ascertainable from the  
20 business records of CRC, Geo and MI. In fact, as stated earlier, CRC, Geo and MI, through their own  
21 business records, have already identified each Class Member in *Exhibit 1* to the Settlement Agreement.  
22 (Blanchard Decl., ¶75.)

23 **2. The community of interest requirement is present.**

24 The existence of a community of interest turns on whether common questions of law and fact are  
25 sufficiently pervasive to permit adjudication in a class action rather than in a multiplicity of separate  
26 mini-trials. This requirement is satisfied if (1) there are predominant questions of law or fact common to  
27 the class, (2) the plaintiff's claims are typical of those of the class, and (3) the plaintiff is an adequate  
28 representative. (*Richmond v. Dart Industries, Inc.* (1981) 29 Cal.3d 462, 470 [174 Cal.Rptr. 515, 629



P.2d 23].) The adequacy issue also encompasses questions concerning the competency of counsel in litigating class claims.

**a) Commonality**

Common issues predominate when they would be “the principal issues in any individual action, both in terms of time to be expended in their proof and of their importance.” (*Vasquez v. Superior Court* (1971) 4 Cal.3d 800, 810 [94 Cal.Rptr. 796, 484 P.2d 964]; FRCP Rule 23(a).) Common questions need only be “sufficiently pervasive to permit adjudication in a class action rather than in a multiplicity of suits.” (*Id.*) Commonality is easily satisfied if there is one issue common to class members. (*See Hanlon v. Chrysler Corp.* (9th Cir. 1998) 150 F.3d 1011, 1019.) Here, common issues include, among others:

- Whether Plaintiffs and other CRC/Last Class members were misclassified as independent contractors;
- Whether Plaintiffs and other CRC/Last Class members were nonexempt employees versus exempt employees;
- Whether Plaintiffs and other CRC/Last Class members were paid for all hours worked at the proper rates;
- Whether Plaintiffs and other CRC/Last Class members were properly provided with meal and rest breaks;
- Whether Plaintiffs and other CRC/Last Class members were properly provided with proper reporting of their wages; and meal and rest breaks;
- Whether CRC, Geo, and MI willfully failed to timely pay all wages due to Plaintiffs Carney, Last, and other CRC Class members upon the termination of their employment.

**b) Numerosity**

California law requires the class to be so numerous that utilization of the class action procedure will inure to the benefit of the judicial system. (*See Richmond v. Dart Indus., Inc.* (1981) 29 Cal. 3d 462, 470.) Numerosity is satisfied because there are 289 class members. (Blanchard Decl., ¶76.)

**c) Typicality**

Typicality requires only that the named plaintiff’s interests in the action be significantly similar to those of other class members. (*See Richmond, supra*, 29 Cal.3d at 470-75.) A named plaintiff’s claims are typical if they arise from the same event, practice, or course of conduct that gives rise to the claims of other class members, and if his or her claims are based on the same legal theories. Indeed, when the same underlying conduct affects the named plaintiffs and the class sought to be represented, the typicality

1 requirement is met irrespective of any varying fact patterns that may underlie individual claims. (*See*  
2 *Daniels v. Centennial Group, Inc.* (1993) 16 Cal.App.4th 467, 473 [21 Cal.Rptr.2d 1] (named plaintiff's  
3 interests must only be significantly similar to other class members).) In this case, Plaintiffs' class claims  
4 are like those of the settlement class that Plaintiffs seek to represent. Plaintiffs and all other class  
5 members were all "mud men" or "Drilling Fluid Specialists" (sometimes known by other names) who  
6 worked in the oil fields in California, primarily in the Kern County area (as alleged by Plaintiffs) and  
7 who allegedly performed similar job duties in the oil production process. (Blanchard Decl., ¶77.)

8 **d) Adequacy of representation of Plaintiff and counsel**

9 To maintain a class action, the representative plaintiff must adequately protect the interests of the  
10 class. (*See Marler v. E.M. Johansing, LLC* (2011) 199 Cal.App.4th 1450, 1459 [132 Cal.Rptr.3d 691,  
11 698].) Adequacy of representation consists of two components. First, there must be no disabling conflicts  
12 of interest between the class representative and the class. Second, the class representative must be  
13 represented by counsel who are competent and experienced in the kind of litigation to be undertaken.  
14 (*McGhee v. Bank of America* (1976) 60 Cal.App.3d 442, 450 [131 Cal.Rptr. 482].)

15 No conflicts, disabling or otherwise, exist between the named plaintiffs and the Class Members  
16 because the named plaintiffs have been damaged by the same alleged conduct and has the incentive to  
17 fairly represent all Class Members' claims to achieve the maximum possible recovery. (Blanchard Decl.  
18 ¶ 78, Kindem Decl. ¶ 6; Carney Decl. ¶6; Last Decl. ¶6; Kaveler Decl. ¶6.) Indeed, Plaintiffs stand in the  
19 same shoes as the Class members with the same incentives to maximize the overall recovery. (*See*  
20 *Richmond, supra*, 29 Cal.3d at 473.) Moreover, Class Counsel are experienced attorneys who have  
21 litigated numerous wage and hour actions and have been appointed as lead counsel in numerous wage  
22 and hour class actions. (Blanchard Decl., ¶¶4-6; Kindem Decl., ¶¶4-5.)

23 **e) Superiority of Class Action**

24 The California Supreme Court has "repeatedly emphasized the importance of the class action  
25 device for vindicating the rights asserted by large groups of persons." (*Richmond, supra*, 29 Cal.3d at  
26 469 (recognizing that class actions are useful for fashioning effective and inclusive group remedies).)  
27 The class device is even more appropriate to adjudicate the rights of large numbers of similarly situated  
28

1 victims who lack the sophistication, financial wherewithal, or individual incentive to sue on their own.  
2 Courts regularly certify class actions to resolve wage and hour claims. (*See Pressler v. Donald L. Bren*  
3 *Co.* (1982) 32 Cal.3d 831, 837 [187 Cal.Rptr. 449, 654 P.2d 219]; *see also Sav-On Drug Stores, Inc. v.*  
4 *Superior Court* (2004) 34 Cal.4th 319, 340 [17 Cal.Rptr.3d 906, 923, 96 P.3d 194, 209].) In this arena,  
5 the class action mechanism allows claims of many individuals to be resolved at the same time, eliminates  
6 the possibility of repetitious litigation and affords small claimants with a method of obtaining redress for  
7 claims which otherwise would be too insignificant to warrant individual litigation. (*Sav-On, supra*, 34  
8 Cal.4th at 340.) Moreover, the issues slated for contest are primarily common issues involving common  
9 evidence. It would not be efficient or fair to relegate these complaints to multiple trials. (*Bufile v. Dollar*  
10 *Financial Group, Inc.* (2008) 162 Cal.App.4th 1193, 1208 [76 Cal.Rptr.3d 804, 815].)

11 Accordingly, the settlement classes meet all criteria for certification and should be certified for  
12 purposes of effectuating this settlement. (*See Hogya v. Superior Court* (1977) 75 Cal.App.3d 122 [142  
13 Cal.Rptr. 325] (if the action satisfies the statutory criteria, the court must certify the class).) The  
14 advantage of having a class action in the cases settled by this settlement (versus individual actions) is  
15 simply demonstrated by the magnitude of the Plaintiffs' legal fees and costs that have been expended to  
16 resolve this litigation. Clearly, it would have been extremely difficult or impossible for the individual  
17 Class members to effectively and economically maintain individual cases to resolve these issues.

## 18 **V. PROPOSED ADMINISTRATION OF SETTLEMENT**

19 A detailed explanation of the administration of the settlement is outlined in the Blanchard  
20 Declaration paragraphs 48-65. A copy of the proposed Class Notice is attached to this motion as ***Exhibit***  
21 **6.**

1 **VI. CONCLUSION**

2 Because the settlement meets the criteria for preliminary approval and is well within the range of  
3 what might be approved as fair, reasonable, and adequate, Plaintiffs request that the Court preliminarily  
4 approve the Settlement Agreement.

5 Dated: August 14, 2025

The Blanchard Law Group, APC

6  
7 BY: 

8 LONNIE C. BLANCHARD, III  
9 Attorney for Plaintiffs  
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**Memorandum of Points and Authorities in Support of Motion for Preliminary Approval of  
Class Action and PAGA Settlement**

*See below service list*

xxx **(By Email)** Based on a court order, Rules of Court, or an agreement of the parties to accept electronic service, I caused the documents to be sent to the person(s) at the email addresses set forth above.

**(By Personal Service)**

I delivered such envelope by hand to the offices of the addressee pursuant to Code of Civil Procedure Section 1011.

Kale Mont

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