

**IN THE COURT OF CHANCERY OF THE STATE OF DELAWARE**

IN RE ATLAS ENERGY, INC. ) Consolidated C.A. No. 5990-VCL  
SHAREHOLDERS LITIGATION )

**NOTICE OF PENDENCY OF CLASS ACTION, PROPOSED  
SETTLEMENT AND SETTLEMENT HEARING**

TO: ALL PERSONS OR ENTITIES WHO HELD SHARES OF THE COMMON STOCK OF ATLAS ENERGY, INC. (“ATLAS” OR THE “COMPANY”), EITHER OF RECORD OR BENEFICIALLY, INCLUDING ANY AND ALL OF THEIR RESPECTIVE SUCCESSORS IN INTEREST, PREDECESSORS, REPRESENTATIVES, TRUSTEES, EXECUTORS, ADMINISTRATORS, HEIRS, ASSIGNS OR TRANSFEREES, IMMEDIATE AND REMOTE, AND ANY PERSON OR ENTITY ACTING FOR OR ON BEHALF OF, OR CLAIMING RIGHTS OR INTERESTS UNDER ANY OF THEM, OTHER THAN THE DEFENDANTS, THEIR SUBSIDIARY COMPANIES, AFFILIATES, ASSIGNS, AND MEMBERS OF THEIR IMMEDIATE FAMILIES, AS THE CASE MAY BE, AT ANY TIME BETWEEN NOVEMBER 8, 2010 AND FEBRUARY 17, 2011, WHICH WAS THE DATE OF THE CONSUMMATION OF THE PROPOSED TRANSACTION BETWEEN ATLAS AND CHEVRON CORPORATION (“CHEVRON”) (THE “CLASS”).

PLEASE READ THIS NOTICE CAREFULLY AND IN ITS ENTIRETY. THIS NOTICE RELATES TO A PROPOSED SETTLEMENT OF A LAWSUIT AND CONTAINS IMPORTANT INFORMATION. YOUR RIGHTS WILL BE AFFECTED BY THE LEGAL PROCEEDINGS IN THIS LITIGATION. IF THE COURT APPROVES THE PROPOSED SETTLEMENT OF THIS LAWSUIT, YOU WILL BE FOREVER BARRED FROM CONTESTING THE FAIRNESS, REASONABLENESS, OR ADEQUACY OF THE PROPOSED SETTLEMENT AND RELATED MATTERS AND FROM PURSUING THE RELEASED CLAIMS (AS DEFINED BELOW).

IF YOU WERE NOT THE BENEFICIAL HOLDER OF COMMON STOCK OF ATLAS BUT HELD SUCH STOCK FOR A BENEFICIAL HOLDER, PLEASE TRANSMIT THIS DOCUMENT PROMPTLY TO SUCH BENEFICIAL HOLDER.

The purpose of this Notice<sup>1</sup> is to inform you of a proposed settlement (the “Settlement”) of the above-captioned consolidated action (the “Action”) pending before the Court of Chancery of the State of Delaware (the “Court”). This Notice also informs you of the Court’s temporary certification of a Class (as defined above) and of your right to participate in a hearing to be held before the Court, in the New Castle County Courthouse, 500 North King Street, Wilmington, DE 19801, on September 19, 2011, at 2:00 p.m. (the “Settlement Hearing”). The purpose of the Settlement Hearing is to determine (a) whether the Court should certify the Class for purposes of the Settlement; (b) whether the Court should approve the proposed Settlement as fair, reasonable, adequate, and in the best interests of the Class pursuant to Court of Chancery Rule 23; (c) whether the Court should enter an Order and Final Judgment (described below) dismissing the claims asserted in the Action on the merits and with prejudice and extinguishing and releasing all Released Claims (as defined below) as against Plaintiffs and the Class; (d) whether the Class should be permanently certified pursuant to Court of Chancery Rules 23(a), (b)(1), and (b)(2) and whether plaintiffs Jeanna Weber and Abraham Katsman (“Plaintiffs”) should be certified in the action as class representatives; (e) whether the requirements of the Rules of the Court of Chancery and due process have been satisfied in connection with this Notice; (f) whether the Court should grant the application of Plaintiffs’ counsel for an award of attorneys’ fees and reimbursement of litigation expenses; and (g) such other matters as may properly come before the Court.

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<sup>1</sup> All capitalized terms not otherwise defined in this document shall have the meaning provided in the Stipulation and Agreement of Compromise, Settlement, and Release.

The Court has determined that the Action shall be temporarily maintained as a class action under Rule 23 of the Rules of the Court of Chancery by Plaintiffs as representatives of and on behalf of the members of the Class.

This Notice describes the rights you may have under the Settlement and what steps you may, but are not required to, take in relation to the Settlement. If the Court approves the Settlement, the parties to the Action will ask the Court to enter an Order and Final Judgment dismissing the Action with prejudice on the merits. If you are a member of the Class, this Notice will inform you of how, if you so choose, you may enter your appearance in the Action or object to the proposed Settlement and have your objection heard at the Settlement Hearing.

**THE FOLLOWING RECITATION DOES NOT CONSTITUTE FINDINGS OF THE COURT AND SHOULD NOT BE UNDERSTOOD AS AN EXPRESSION OF ANY OPINION OF THE COURT AS TO THE MERITS OF ANY OF THE CLAIMS OR DEFENSES RAISED BY ANY OF THE PARTIES. IT IS BASED ON STATEMENTS OF THE PARTIES AND IS SENT FOR THE SOLE PURPOSE OF INFORMING YOU OF THE EXISTENCE OF THIS ACTION AND OF A HEARING ON A PROPOSED SETTLEMENT SO THAT YOU MAY MAKE APPROPRIATE DECISIONS AS TO STEPS YOU MAY, OR MAY NOT, WISH TO TAKE IN RELATION TO THIS ACTION AND SETTLEMENT.**

#### **Background and Description of the Action**

On November 9, 2010, Atlas and Chevron announced that they had entered into a definitive merger agreement, whereby Chevron would acquire Atlas in a transaction valued at that time at \$4.3 billion, or \$43.34 per Atlas share (the “Proposed Transaction”). The \$43.34-per-share amount represented a premium of approximately 50% over the closing price of Atlas shares on September 13, 2010 (when Chevron submitted its initial merger proposal to Atlas) and a 37% premium over the closing price of Atlas shares on November 8, 2010 (which was the last trading day before the deal was announced). Pursuant to the terms of the Proposed Transaction, Atlas shareholders were paid in both cash (\$38.25 per share) and limited partnership units of a publicly traded Atlas subsidiary (approximately 0.5203 units per share). The trading price of those units increased by more than \$5 since the announcement of the deal, thereby increasing the per-share value of the Proposed Transaction by more than \$2.50 since November 9, 2010. The final merger consideration was valued at \$46.53 as of the date of the closing.

Between November 15, 2010 and November 19, 2010, two shareholders of Atlas—Jeanna Weber and Abraham Katsman (“Plaintiffs”)—each filed in this Court a verified putative class action complaint challenging the Proposed Transaction against Atlas and the members of its board of directors, Edward E. Cohen, Jonathan Z. Cohen, Carlton M. Arrendell, Donald W. Delson, Dennis A. Holtz, Harmon S. Spolan, Mark C. Biderman, Gayle P.W. Jackson, Jessica K. Davis, Ellen F. Warren, Bruce M. Wolf, Chevron, and Arkhan Corporation (“Arkhan”) (collectively, “Defendants”). Those lawsuits initially were styled *Weber v. Atlas Energy Inc., et al.* and *Katsman v. Atlas Energy Inc., et al.* and were consolidated on December 8, 2010. Four other virtually identical lawsuits were filed in the Pennsylvania Court of Common Pleas of Allegheny County (“Pennsylvania State Action”) and in the United States District Court for the Western District of Pennsylvania (“Pennsylvania Federal Action”).<sup>2</sup> On December 10, 2010, the Pennsylvania State Action was stayed in deference to this Action.

On December 8, 2010, Atlas filed a preliminary proxy statement with the Securities and Exchange Commission.

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<sup>2</sup> The three actions filed in Pennsylvania state court are captioned *Jacobs v. Cohen et al.*, No. GD-10-21370, *Muir v. Atlas Energy Inc., et al.*, No. GD-10-20988, and *Hansz v. Atlas Energy Inc., et al.*, No. GD-10-21055, consolidated as *In re Atlas Energy, Inc. Shareholders Class Action Litigation*, Case No. GD 10-20988. The action filed in Pennsylvania federal court is captioned *Nishihara v. Atlas Energy Inc., et al.*, No. 2:10-cv-01526-JFC.

On December 28, 2010, Plaintiffs filed an Amended and Verified Class Action Complaint (the “Amended Complaint”), which alleged that Atlas’s directors breached their fiduciary duties by allegedly agreeing to an inadequate merger price and conducting an unfair process in connection with the Proposed Transaction. Plaintiffs also alleged that Chevron (and its merger subsidiary, Arkhan) aided and abetted in those purported breaches of duty. Additionally, the Amended Complaint alleged numerous disclosure claims with respect to Atlas’s preliminary proxy statement.

Shortly after the filing of the Amended Complaint, Defendants consented to Plaintiffs’ demand for expedited discovery in advance of a possible preliminary injunction hearing. On January 9, 2011, the parties negotiated a letter agreement memorializing their agreement with respect to expedited discovery and briefing.

On January 11, 2011, Atlas filed its definitive proxy statement, announcing February 16, 2011, as the date for the stockholder vote on the Proposed Transaction.

During that same week, and pursuant to the January 9, 2011 letter agreement, Defendants began an expedited rolling production of documents. Defendants (as well as certain Atlas-related entities, specifically Atlas Pipeline Holdings, L.P. (“AHD”), and Atlas Pipeline Partners, L.P. (“APL”)) produced on an expedited rolling basis over 32,000 pages of documents concerning the Proposed Transaction.

During the week of January 17, 2011, Plaintiffs took the depositions of two Atlas directors and the deposition of a senior banker from Atlas’s financial advisor, Jefferies.

On January 18, 2011, Defendants filed a motion to stay the proceedings in the Pennsylvania Federal Action in deference to this Action, as well as motions to dismiss the federal litigation (such motions have yet to be ruled upon).

On January 18, 2011, the Court entered a Stipulation and Order Governing the Production and Exchange of Confidential Information.

On January 18, 2011, the Court entered an Order Regarding Expedited Proceedings, which, among other things, scheduled a preliminary injunction hearing for February 7, 2011, and provided deadlines for completing expedited discovery.

On January 20, 2011, following completion of the expedited production of documents and the depositions of the two Atlas directors, counsel for the parties held preliminary discussions about the possibility of a settlement of the Action but failed to reach any accord. Discussions continued intermittently during the following days, including conversations concerning the claims raised in the Amended Complaint and the defenses thereto, as well as the ongoing efforts of Atlas to address certain of the disclosure claims raised by Plaintiffs.

On January 26, 2011, Plaintiffs filed a Motion for a Preliminary Injunction and 50-page supporting brief seeking to enjoin the Atlas stockholder vote scheduled for February 16, 2011. The Plaintiffs’ brief identified disclosures that Plaintiffs believed were misleading or omitted from the Atlas definitive proxy statement, as well as issues related to the process followed by Defendants in agreeing to the Proposed Transaction.

On January 31, 2011, Defendants took the depositions of Plaintiffs in New York, New York.

Before markets opened on February 1, 2011, Atlas filed and commenced mailing of a 36-page supplemental proxy statement that principally sought to address, among other issues, the disclosure claims identified in Plaintiffs’ brief (the “Supplemental Proxy”).

Further intense arm’s-length negotiations occurred throughout the day and evening of February 1, 2011, following the filing of the Supplemental Proxy. These negotiations concerned, among other things, a payment of additional consideration to the Atlas stockholders in connection with the Proposed Transaction.

During the evening of February 1, 2011, the parties reached an agreement-in-principle on the structure of a settlement and promptly notified the Court of this agreement on the morning of February 2, 2011. The following day, on February 3, 2011, the parties entered into a memorandum of understanding (“MOU”) reflecting those agreed-upon terms.

On February 4, 2011, the parties presented the MOU to this Court at a telephonic hearing, during which the Court stated that it would remove from its calendar the preliminary injunction hearing scheduled for February 7, 2011, and permit the parties to continue with the settlement process, so long as Atlas made certain additional disclosures in a Form 8-K (which Atlas did the following business day).

On February 8, 2011, Defendants notified the court in the Pennsylvania Federal Action of the executed MOU and, in light of the Settlement and the Supplemental Proxy, requested a suspension of certain near-term proceedings, which the court granted on February 9, 2011.

On June 21, 2011, the Court entered a scheduling order providing for, among other things, the scheduling of the Settlement Hearing; the temporary certification, for settlement purposes only, of a non-opt-out class consisting of any and all persons or entities who held shares of Atlas common stock, either of record or beneficially, including any and all of their respective successors in interest, predecessors, representatives, trustees, executors, administrators, heirs, assigns or transferees, immediate and remote, and any person or entity acting for or on behalf of, or claiming rights or interests under any of them, other than the Defendants, their subsidiary companies, affiliates, assigns, and members of their immediate families, as the case may be, who held Atlas shares at any time between November 8, 2010 and February 17, 2011, which was the date of the consummation of the transaction between Atlas and Chevron (the “Class”); a stay of the Actions pending a hearing on the proposed Settlement; and an injunction against the commencement or prosecution of any action by any member of the Class asserting any of the claims subject to the Settlement of the Actions.

### **Settlement Terms**

In consideration for the full and final settlement and release of all Released Claims (as defined below) and the dismissal with prejudice of this Action, Atlas or its successor(s) have or will:

- (i) within twenty (20) business days after completion of the requirements set forth below, pay to each holder of record of issued and outstanding shares of Atlas common stock as of immediately prior to the effective time of the merger (other than shares owned by Chevron, Merger Sub, or any other direct or indirect wholly owned subsidiary of Chevron) a cash payment of 10 cents for each such share, subject to the limitations on Excluded Stockholders (as defined below) (the “Settlement Payment”) (Defendants acknowledge that the prosecution of this Action and the efforts of Plaintiffs’ counsel in this Action were the sole causal factors that led to the agreement to make this Settlement Payment);
- (ii) provided prompt notification to Plaintiffs’ counsel, subject to the terms of the Stipulation and Order Governing the Production and Exchange of Confidential Information entered in this Action, of any competing bids to acquire Atlas received from third parties prior to the February 16, 2011 stockholder vote;
- (iii) attached to the publicly filed MOU the four paragraphs on Pages 45–46 of Plaintiffs’ brief in support of their preliminary injunction motion regarding the supply-side market risk premium and, as derived therefrom, the related weighted average cost of capital, discount rate, and fairness range, as set forth by Plaintiffs in their brief. The parties agree that Defendants satisfied this condition on February 7, 2011, by filing a Form 8-K with the Securities and Exchange Commission.

The Settlement Payment shall be contingent on and shall not be paid until (a) consummation of the Proposed Transaction; (b) certification of the Class (as defined above) for settlement purposes; (c) Final Approval of the Settlement (as defined below); (d) approval of a complete release of all Released Persons (as defined below) by the Court, as set forth in the Stipulation and Agreement of Compromise, Settlement, and Release (“Stipulation”); (e) the inclusion in the preliminary order of approval and final judgment of a provision enjoining all members of the Class from asserting any of the Released Claims; and (f) the order dismissing the Action with prejudice has

become final and no longer subject to further appeal or review, whether by affirmance on or exhaustion of any possible appeal or review, by writ of certiorari or otherwise, or by lapse of time or otherwise. Atlas or its successor(s) will be responsible for the costs of making the Settlement Payment and other costs of administering the Settlement, including the costs of Notice.

“Excluded Stockholders” shall include Atlas’s directors (and their respective affiliates and related entities) and their respective immediate family members. Excluded Stockholders shall have no claim to and shall not receive any of the Settlement Payment, in whole or in part. The Excluded Stockholders hereby relinquish any right of themselves to receive any part of the Settlement Payment, or any additional amount based on any claim relating to the fact that the Settlement Payment is being received by any other stockholder, in each case under any theory, including but not limited to contract, application of statutory or common law, or equity.

### **Releases**

The Stipulation provides that effective upon the date of the approval of this Court and in consideration of the benefits provided by the Settlement:

- (i) Plaintiffs and the other members of the Class (the “Releasing Persons”), absolutely and unconditionally release and forever discharge Defendants, and any of their respective past or present, current or former, family members, parent entities, controlling persons, associates, predecessors, successors, affiliates or subsidiaries, and each and all of their respective past or present officers, directors, stockholders, principals, representatives, employees, attorneys, financial or investment advisors, consultants, accountants, investment bankers, commercial bankers, entities providing fairness opinions, underwriters, brokers, dealers, advisors or agents, heirs, executors, trustees, general or limited partners or partnerships, limited liability companies, members, managers, joint ventures, personal or legal representatives, estates, administrators, predecessors, successors, and assigns (collectively, the “Released Persons”) from Released Claims that the Releasing Persons directly, indirectly, derivatively, legally, equitably, or in any other capacity ever had, now have, or hereafter may have.

The “Released Claims” shall be: any and all claims, demands, rights, actions, potential actions, causes of action, liabilities, damages, losses, obligations, judgments, decrees, suits, duties, costs, debts, expenses, interest, penalties, sanctions, fees, attorneys’ fees, matters, issues, or controversies of any kind, nature, or description whatsoever, whether known or unknown, contingent or absolute, suspected or unsuspected, disclosed or undisclosed, apparent or not apparent, foreseen or unforeseen, matured or not matured, accrued or unaccrued, liquidated or not liquidated, that the Releasing Persons ever had, now have, or may have, whether individual, class, direct, derivative, representative, legal, equitable, or any other type or in any other capacity against the Released Persons whether based on state, local, foreign, federal, statutory, regulatory, common, or other law (including the federal securities laws and any state disclosure law), that have arisen, could have arisen, arise now or hereafter may arise out of or relate in any manner to (a) the acts, events, facts, matters, transactions, occurrences, statements, representations, misrepresentations or omissions or any other matter whatsoever set forth in or otherwise related, directly or indirectly, to the allegations in the Action, the Proposed Transaction, the Atlas-Chevron merger agreement (and the transactions contemplated therein), or any deliberations or negotiations in connection therewith; (b) the transactions with AHD and APL and their subsidiaries that are conditions to the Atlas-Chevron transaction and the negotiations relating thereto; (c) any fiduciary obligations of the Released Persons in connection with the Proposed Transaction or any alternatives thereto; (d) other than as provided in the Stipulation, the fees, expenses, or cost incurred in prosecuting, defending, or settling the Action; (e) any disclosures made in connection with the Proposed Transaction, including claims under the federal securities laws within the exclusive jurisdiction of the federal courts (including the adequacy and completeness of disclosures in the preliminary proxy statement, definitive proxy statement, Supplemental Proxy, or any other disclosures made in connection with the Proposed Transaction);

or (f) any of the allegations that were or could have been asserted in any complaint or amendment(s) thereto filed in the Action; provided, however, that the Released Claims shall not include any claims to enforce the Settlement or any claims properly asserted by any Atlas stockholder for appraisal under Section 262 of the Delaware General Corporation Law. The parties agree that this release is not intended to, and shall not, extend to any claims in the litigation styled *In re Atlas Energy Resources, LLC Unitholder Litigation*, C.A. No. 4589-VCN (Del. Ch.), or *Ussach v. Atlas Energy, Inc., et al.*, No. 2:10-cv-01533 (W.D. Pa.). In addition, the Released Claims shall not include any claims under the federal securities laws that do not in any respect arise out of, or do not relate in any manner to, the acts, events, facts, matters, transactions, occurrences, statements, or representations, or any other matter whatsoever set forth in or otherwise related, directly or indirectly, to the allegations in the Action, the Proposed Transaction, the transactions contemplated therein, or disclosures made in connection therewith (including the adequacy and completeness of such disclosures).

At the time that the Released Claims become effective, the Released Persons will completely release all claims relating to the subject matter of the Action that they have or may have against Plaintiffs, Plaintiffs' counsel, and the Class, including any claims based upon or arising out of the initiation, prosecution, assertion, settlement, or resolution of the Action, provided, however, that the Released Persons shall retain the right to enforce the terms of the Stipulation, the Settlement, and the MOU.

- (ii) The releases contemplated by the Settlement extend to claims that Plaintiffs or other members of the Class, or the Company or its stockholders, do not know or suspect to exist at the time of the release, which if known, might have affected the decision to enter into the release or to object or not to object to the Settlement. Plaintiffs, each of the other members of the Class, the Company, and its stockholders, shall be deemed to waive, and shall waive and relinquish to the fullest extent permitted by law, any and all provisions, rights, and benefits conferred by any law, which govern or limit a person's release of unknown claims; further, Plaintiffs, on behalf of themselves and on behalf of the members of the Class, the Company, and its stockholders, shall be deemed to waive, and shall waive and relinquish, to the fullest extent permitted by law, the provisions, rights, and benefits of Section 1542 of the California Civil Code, which provides as follows:

A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS WHICH THE CREDITOR DOES NOT KNOW OR SUSPECT TO EXIST IN HIS OR HER FAVOR AT THE TIME OF EXECUTING THE RELEASE, WHICH IF KNOWN BY HIM OR HER MUST HAVE MATERIALLY AFFECTED HIS OR HER SETTLEMENT WITH THE DEBTOR.

Plaintiffs, on behalf of themselves and on behalf of the members of the Class, the Company and the stockholders, also shall be deemed to waive any and all provisions, rights, and benefits conferred by any law of any state or territory of the United States, or principle of common law, which is similar, comparable, or equivalent to Section 1542 of the California Civil Code; and Plaintiffs and the other members of the Class, the Company and its stockholders, acknowledge that members of the Class and/or others may discover facts in addition to or different from those that they now know or believe to be true with respect to the subject matter of this release, but that it is their intention, on behalf of themselves and on behalf of the Class, the Company and its stockholders, to fully, finally, and forever settle and release any and all claims released hereby, known or unknown, suspected or unsuspected, which now exist, or heretofore existed, or may hereafter exist, and without regard to the subsequent discovery or existence of such additional or different facts. Plaintiffs, on behalf of themselves and on behalf of the Class, acknowledge, and the members of the Class shall be deemed by operation of Final Approval to have acknowledged, that the foregoing waiver was separately bargained for and is a key and integral element of the Settlement of which this release is a part.

#### **Reasons for the Settlement**

Plaintiffs and Lead Counsel for Plaintiffs in the Action have determined to enter into the Settlement because the Settlement provides significant benefits for Atlas stockholders. On the basis of information

available to them, including publicly available information, the additional discovery described herein, and consultations with independent financial advisors retained by Lead Counsel, and in consideration of the strengths and weaknesses of their claims, Lead Counsel has determined that the Settlement described herein is fair, reasonable, adequate, and in the best interests of the Plaintiffs and the Settlement.

In evaluating the Settlement, Plaintiffs and Lead Counsel for Plaintiffs have considered, among other things, (i) the substantial benefits to the members of the Class from the Settlement; (ii) the facts developed during extensive discovery; (iii) the attendant risks of continued litigation and the uncertainty of the outcome of the Action; (iv) the probability of success on the merits and the allegations contained in the Action, including the uncertainty relating to the proof of those allegations; (v) the desirability of permitting the Settlement to be consummated as provided by the terms of the Stipulation; and (vi) the conclusion of the Plaintiffs and their counsel that the terms and conditions of the Settlement are fair, reasonable, and adequate and in the best interests of Plaintiffs and the members of the Class.

Defendants deny, and continue to deny, that they have committed, or aided and abetted in the commission of, any violation of law or duty or engaged in any wrongful acts whatsoever and expressly maintain that they diligently and scrupulously complied with any applicable fiduciary, disclosure, or other legal duty and are entering into this Settlement solely to eliminate the burden and expense of further litigation and to fully and finally resolve the Released Claims.

Defendants also specifically deny that any applicable rule, statute, regulation, or law required or requires any further disclosure or any other settlement consideration but have agreed in principle to the Settlement to avoid further delay and the substantial burden, expense, risk, inconvenience, and distraction of continued litigation and to fully and finally resolve the Released Claims. Defendants acknowledge that the consideration given to the Class in the Stipulation confers benefits on the Class.

#### **Class Action Determination**

The Court has ordered that the Action shall be temporarily maintained as a class action for purposes of the Settlement only, pursuant to Rules 23(a), (b)(1), and (b)(2) of the Rules of the Court of Chancery. At the Settlement Hearing, the Court will consider, among other things, whether the Class should be certified permanently.

#### **The Settlement Hearing**

The Court has scheduled a Settlement Hearing to be held on September 19, 2011, at 2:00 p.m., in the New Castle County Courthouse, 500 North King Street, Wilmington, DE 19801, to (a) determine whether the Class should be permanently certified pursuant to Court of Chancery Rules 23(a), 23(b)(1), and 23(b)(2) and whether Plaintiffs should be certified in the Action as class representatives; (b) determine whether the Settlement should be approved by the Court as fair, reasonable, adequate, and in the best interests of the Class; (c) determine whether an Order and Final Judgment should be entered pursuant to the Stipulation, dismissing the Action with prejudice on the merits, releasing the Released Claims, and enjoining all members of the Class from asserting any of the Released Claims; (d) consider Plaintiffs' Lead Counsel's application for an award of attorneys' fees and expenses; (e) determine whether the requirements of the Rules of the Court of Chancery and due process have been satisfied in connection with the Notice provided to the Class; and (f) rule on such other matters as the Court may deem appropriate.

The Court reserves the right to adjourn the Settlement Hearing or any adjournment thereof, including the consideration of the application for attorneys' fees, without further notice of any kind other than oral announcement at the Settlement Hearing or any adjournment thereof.

The Court reserves the right to approve the Settlement, enter an Order and Final Judgment, and order the payment of attorneys' fees and expenses at or after the Settlement Hearing with such modification(s) as may be consented to by the parties to the Stipulation and without further notice to the Class.

## **Right to Appear and Object**

Any member of the Class who objects to the Settlement, the Order and Final Judgment to be entered in the Action, and/or Plaintiffs' Lead Counsel's application for attorneys' fees, or who otherwise wishes to be heard, may appear in person or by such member's attorney at the Settlement Hearing and present evidence or argument that may be proper and relevant, provided, however, that except for good cause shown, no person shall be heard and no papers, briefs, pleadings, or other documents submitted by any person shall be considered by the Court unless not later than fourteen (14) calendar days prior to the Settlement Hearing such person files with the Court and serves upon counsel listed below (a) a written notice of intention to appear; (b) a statement of such person's objections to any matters before the Court; (c) the grounds for such objections and the reasons that such person desires to appear and be heard; (d) documentation evidencing membership in the Class; and (e) all documents or writings such person desires the Court to consider. Such filings shall be served upon the following counsel:

Brian D. Long (ID No. 3147)  
RIGRODSKY & LONG, P.A.  
919 North Market Street, Suite 980  
Wilmington, DE 19801  
(302) 295-5310

### **Delaware Co-Liaison Counsel for Plaintiffs**

Rachel J. Barnett (ID No.4876)  
SKADDEN, ARPS, SLATE,  
MEAGHER & FLOM LLP  
One Rodney Square  
Wilmington, DE 19899  
(302) 651-3000

### **Counsel for Defendants Chevron Corporation and Arkhan Corporation**

and then filed with the Register in Chancery, New Castle County Courthouse, 500 North King Street, Suite 1151, Wilmington, DE 19801.

Robert D. Goldberg (ID No. 631)  
BIGGS & BATTAGLIA  
921 North Orange Street  
Wilmington, DE 19801  
(302) 655-9677

### **Delaware Co-Liaison Counsel for Plaintiffs**

Martin S. Lessner (ID No. 3109)  
YOUNG CONAWAY STARGATT  
& TAYLOR, LLP  
1000 West Street, 17th Floor  
Wilmington, DE 19801  
(302) 571-6600

### **Counsel for Defendant Atlas Energy, Inc. and the Individual Defendants**

Unless the Court otherwise directs, no person shall be entitled to object to the approval of the Settlement, any judgment entered thereon, the adequacy of the representation of the Class by Plaintiffs and Lead Counsel, or any award of attorneys' fees or otherwise be heard, except by serving and filing a written objection and supporting papers and documents as described above. Any person who fails to object in the manner described above shall be deemed to have waived the right to object (including any right of appeal) and shall be forever barred from raising such objection in this or any other action or proceeding. Any member of the Class who does not object to the Settlement or the request by Plaintiffs' Lead Counsel for an award of attorneys' fees and expenses (described below) or to any other matter stated above need not take any action.

## **The Order and Final Judgment**

If the Court determines that the Settlement, as provided for in the Stipulation, is fair, reasonable, adequate, and in the best interests of the Class, the parties to the Action will request that the Court enter the Order and Final Judgment, which will, among other things:

- a. approve the Settlement as fair, reasonable, adequate, and in the best interests of the Class and direct consummation of the Settlement in accordance with its terms and conditions;
- b. permanently certify the Class pursuant to Delaware Court of Chancery Rules 23(a), 23(b)(1), and 23(b)(2) and designate Plaintiffs in the Action as the class representatives with Plaintiffs' Lead Counsel as class counsel;
- c. determine that the requirements of the Rules of the Court of Chancery and due process have been satisfied in connection with this Notice provided to the Class;

- d. dismiss the Action with prejudice on the merits as against any and all Defendants, without costs except as provided in the Stipulation, and grant the releases more fully described above in accordance with the terms and conditions of the Stipulation;
- e. permanently bar and enjoin Plaintiffs and all members of the Class from instituting, commencing, or prosecuting any of the Released Claims against any of the Released Persons (as defined above); and
- f. determine any award of attorneys' fees and expenses to Plaintiffs' Lead Counsel.

### **Final Court Approval**

As used herein, the term "Final Approval" means that the Court has entered an Order and Final Judgment, substantially in the form attached as Exhibit C to the Stipulation, certifying the Class, approving the Settlement, dismissing the Action with prejudice on the merits (and with Plaintiffs and their counsel agreeing not to pursue fees or costs against Defendants other than pursuant to Paragraph 21 of the Stipulation) and providing for such release language as set forth in Paragraphs 10 through 13 of the Stipulation and described above and that such Order and Final Judgment is final and no longer subject to further appeal or review, whether by affirmance on or exhaustion of any possible appeal or review, by writ of certiorari or otherwise, or by lapse of time or otherwise.

The Settlement is conditioned upon each of the following:

- (i) certification of the Class, as defined above;
- (ii) the entry of the Order and Final Judgment in this Action approving the Settlement and providing for the dismissal with prejudice of the Action on the merits and approving the grant of a release by the Class of the Released Claims;
- (iii) the entry of the Order and Final Judgment dismissing the Action with prejudice on the merits without the award of any damages, costs, fees, or the grant of any further relief except for the payments contemplated by the Settlement;
- (iv) the inclusion in the Scheduling Order and the Order and Final Judgment of provisions enjoining all members of the Class from asserting any of the Released Claims;
- (v) Final Approval of the Settlement; and
- (vi) completion of the merger.

### **Application for Attorneys' Fees and Expenses**

Plaintiffs' Lead Counsel intend to petition the Court for an award of attorneys' fees in the amount of \$4 million and costs and disbursements of up to \$100,000 in connection with the Action. Defendants reserve all of their rights to oppose the fee award application that Lead Counsel intends to file. Atlas and/or its successor(s) shall pay, on behalf of and for the benefit of all Defendants, the full amount of any fee award entered by the Court in this Action. Plaintiffs' Lead Counsel also intend to apply for a service award and/or reimbursement of expenses for each of the Plaintiffs in an amount up to \$10,000, which, if approved by the Court, will be paid out of any fee awarded by the Court. Defendants take no position on this request. The attorneys' fees will not reduce the Settlement Payment in any way.

It is not a condition of this Settlement that Plaintiffs' counsel's application for fees and expenses be granted in any respect. Any failure of the Court to approve a request for attorneys' fees in whole or in part shall not affect or delay the enforceability of the Settlement, including the Stipulation. Final resolution by the Court of any fee award shall not be a condition of the Settlement or a precondition to the dismissal of this Action with prejudice, and any fee application may be considered separately from the Settlement. Any order or proceedings relating to Plaintiffs' counsel's application for an award of attorneys' fees and/or expenses, or any appeal from any order relating thereto or reversal or modifications thereof, shall not operate to terminate or cancel the Stipulation and shall not prevent the Settlement from receiving Final Approval.

**Notice to Persons or Entities That Held Ownership on Behalf of Others**

Brokerage firms, banks, and/or other persons or entities who held shares of the common stock of Atlas during the period from and including November 8, 2010 through and including February 17, 2011 for the benefit of others are requested to send this Notice promptly to all of such beneficial owners. If additional copies of the Notice are needed for forwarding to such beneficial owners, any requests for such copies may be made to In re Atlas Energy, Inc. Shareholders Litigation, Settlement Administrator, Attention: Fulfillment Department, c/o A.B. Data, Ltd., 3410 West Hopkins Street, PO Box 170500, Milwaukee, WI 53217-8042.

**Scope of this Notice and Additional Information**

This Notice is not all-inclusive. The foregoing description of the Settlement Hearing, the Action, the terms of the proposed Settlement, and other matters described herein are only summaries and do not purport to be comprehensive. For the full details of the Action, the claims that have been asserted in the Action, and the terms and conditions of the Settlement, including a complete copy of the Stipulation and related orders and proposed forms of orders, you are referred to the Court files for the Action. You or your attorney may examine the public Court files during regular business hours of each business day at the office of the Register in Chancery, New Castle County Courthouse, 500 North King Street, Suite 1151, Wilmington, DE 19801.

**PLEASE DO NOT WRITE OR CALL THE COURT.**

Inquiries or comments about the Settlement may be directed to the attention of Plaintiffs' counsel as follows: U. Seth Ottensoser, BERNSTEIN LIEBHARD LLP, 10 East 40<sup>th</sup> Street, New York, NY 10016 (212) 779-1414.

Dated: July 6, 2011

BY ORDER OF THE COURT

/s/ Vice Chancellor  
Register in Chancery