

District Court, Denver County, Colorado Court Address: 1437 Bannock Street Denver, CO 80202 303.606.2433	DATE FILED: May 16, 2024 12:11 PM FILING ID: 6A732C3374854 CASE NUMBER: 2018CV33011
Plaintiff:  Tung Chan, Securities Commissioner for the State of Colorado  v.  Defendants:  Gary Dragul; GDA Real Estate Services, LLC and GDA Real Estate Management, LLC	▲ COURT USE ONLY ▲
Attorney for LONE PINE RESOURCES, LP  Kevin D. Evans, Evans Law PLLC, 5613 DTC Parkway, Suite 850, Greenwood Village, CO 80111  Phone Number: 720.738.3970 E-mail: kdevans@evanspllc.law FAX Number: 720.749.4958 Atty. Reg. #: 28218	Case Number: 2018CV33011    Division: 424
<p align="center"><b>LONE PINE RESOURCES, LP'S JOINDER IN RECEIVER'S MOTION TO APPROVE SETTLEMENT AGREEMENT WITH CLEARWATER BANKRUPTCY ESTATES AND RECEIVER'S OPPOSITION TO OBJECTION BY CHAD HURST</b></p>	

Lone Pine Resources, LP (“Lone Pine”), an unsecured creditor of Clearwater Collection 15, LLC (“Clearwater”), by its attorney, joins in the Receiver’s motion to approve the settlement agreement between the Clearwater Bankruptcy Estates and the Receiver (“Motion”) and the

Receiver's opposition to the objection of Chad Hurst. In support hereof, Lone Pine states as follows:

1. After yeoman's effort, the Liquidating Trustee and the Receiver have reached a settlement agreement that *is* in the best interest of the victim creditors. These creditors, including Lone Pine, stand to receive distributions to repay them in part for money fraudulently obtained from them by Gary Dragul, a securities fraud artist.

a. On April 12, 2018, Dragul was indicted on nine counts of securities fraud.

b. On March 1, 2019, Dragul was indicted on five counts of securities fraud.

c. On June 3, 2023, Dragul pled guilty to one count of securities fraud on his first indictment and one count of securities fraud on his second indictment, ***admitting to all the factual allegations in both indictments.***

2. Dragul was instrumental in defrauding Lone Pine of \$250,000 in connection with Lone Pine's investment in Clearwater Collection 15, LLC ("Clearwater"). Lone Pine, as a result of the efforts of a Dragul friend, also loaned Dragul and various of his entities a total of \$2,176,151.80 in 2018, receiving promissory notes in return. Lone Pine would never have loaned Dragul or his companies a dime and would not have invested in Clearwater had Dragul and/or his friend been honest and candid with Lone Pine.

3. Lone Pine understands that this settlement agreement provides it with the best opportunity to recover sums of money of which it has been defrauded.

4. Six years have elapsed since Dragul defrauded numerous investors via his ponzi scheme. These victims deserve some degree of justice, which is what the settlement agreement provides. The Liquidating Trustee and the Receiver are correct: the settlement agreement provides

a fair and equitable distribution to the victims under the circumstances and provides substantial distributions to those defrauded by Dragul.

5. Only one objection to the settlement agreement has been lodged—by another long-time Dragul friend Chad Hurst: Lone Pine understands that Dragul described Hurst as a “friend of the house.” It should come as no surprise that one of the attorney’s for Hurst is the same lawyer and law firm that represented Dragul during his criminal proceedings. In his reply to Hurst’s objection, the Receiver said:

a. Dragul provided Hurst with benefits not afforded nor extended to Dragul’s defrauded investors.

b. Before the Receiver was appointed, Dragul repaid Hurst nearly \$6.4 million (nearly 84% of the money Hurst invested).

c. Hurst has no interest in protecting the defrauded investors and is only seeking to further line his own pockets at expense of the real victims. In other words, Hurst’s “objection is solely to advance his own self-interest at the expense of all other creditors.”

6. Hurst’s self-serving objection is baseless and should be rejected.

WHEREFORE, Lone Pine joins in the Motion and respectfully requests that the Court grant the Motion and reject Hurst’s objection.

Dated: May 16, 2024

By: s/Kevin D. Evans  
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Attorney for LONE PINE RESOURCES, LP

**CERTIFICATE OF SERVICE**

I hereby certify that on this 16<sup>th</sup> day of May 2024, a true and correct copy of the foregoing **LONE PINE RESOURCES, LP'S JOINDER IN RECEIVER'S MOTION TO APPROVE SETTLEMENT AGREEMENT WITH CLEARWATER BANKRUPTCY ESTATES AND RECEIVER'S OPPOSITION TO OBJECTION BY CHAD HURST** was electronically filed via the Colorado Courts E-filing (CCE) System and served via same to the following:

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**CERTIFICATION OF E-SERVICE ON KNOWN PARTIES**

In accordance with this Court's February 1, 2019, Order clarifying notice procedures for this case, I also certify that a copy of the foregoing **LONE PINE RESOURCES, LP'S JOINDER IN RECEIVER'S MOTION TO APPROVE SETTLEMENT AGREEMENT WITH CLEARWATER BANKRUPTCY ESTATES AND RECEIVER'S OPPOSITION TO OBJECTION BY CHAD HURST** is being served by electronic mail on all currently known creditors of the Receivership Estate to the address set forth on the service list maintained in the Receiver's records.

/s/Kevin D. Evans  
Kevin D. Evans