

IN THE UNITED STATES DISTRICT COURT  
FOR THE DISTRICT OF DELAWARE

IN RE HECKMANN CORPORATION  
SECURITIES LITIGATION

Case No. 1:10-cv-00378-LPS-MPT

NOTICE OF PENDENCY AND PROPOSED SETTLEMENT OF CLASS ACTION,  
MOTION FOR ATTORNEYS' FEES AND LITIGATION EXPENSES,  
AND FINAL APPROVAL HEARING

***IF YOU PURCHASED OR OTHERWISE ACQUIRED THE COMMON STOCK OR WARRANTS OF HECKMANN CORPORATION (N/K/A NUVERRA ENVIRONMENTAL SOLUTIONS, INC.) ("HECKMANN") DURING THE PERIOD FROM MAY 20, 2008 THROUGH MAY 8, 2009, INCLUSIVE<sup>1</sup> OR YOU HELD HECKMANN COMMON STOCK AS OF SEPTEMBER 15, 2008, AND WERE ENTITLED TO VOTE ON THE MERGER BETWEEN HECKMANN AND CHINA WATER & DRINKS, INC. (THE "MERGER"), AND WERE DAMAGED THEREBY, YOU COULD RECEIVE A PAYMENT FROM A CLASS ACTION SETTLEMENT.***

***A federal court authorized this Notice. This is not a solicitation from a lawyer.***

**Securities Involved and Time Period of Potential Eligibility:** (i) Heckmann common stock or warrants purchased or otherwise acquired during the period from May 20, 2008 through May 8, 2009, inclusive (the "Settlement Class Period") and (ii) Heckmann common stock owned as of September 15, 2008, the record date for the Merger (the "Record Date") which was held through the shareholder vote on October 30, 2008 (the "Approval Date"). The Settlement does not include shares of Heckmann stock received in exchange for shares of China Water stock in connection with the Merger.

**Settlement Amount:** The Settlement provides for the combined payment of at least \$27 million and is comprised of the following two components: (i) \$13.5 million in cash (the "Settlement Cash") and (ii) the greater of 847,990 shares of Nuverra Environmental Solutions, Inc. ("Nuverra") common stock or the number of shares of Nuverra common stock that equals \$13.5 million in value as of the date preceding the final settlement hearing (the "Settlement Shares") as set forth in the Stipulation of Settlement dated as of March 4, 2014 (the "Stipulation")<sup>2</sup>. The Settlement Cash, Settlement Shares and any interest earned thereon shall be collectively referred to herein as the "Settlement Fund." See Question 8 below for more details.

**The Lawsuit:** The Settlement resolves class action litigation over allegations as to whether, during the relevant period, Defendants violated the federal securities laws by obtaining shareholder approval of the Merger by means of the Proxy and other proxy solicitations that misrepresented China Water's operations, assets, and financial results, and omitted material information regarding known fraudulent conduct at China Water. Defendants also are alleged to have made materially false and misleading statements and omitted material facts about China Water and the Merger throughout the Settlement Class Period in order to deceive the investing public in violation of the federal securities laws. See Question 2 below for more information.

**Statement of Recovery and Estimated Average Recovery:** Plaintiffs' damages expert estimates that approximately 57.2 million shares of Heckmann common stock were purchased or otherwise acquired during the Settlement Class Period and potentially damaged pursuant to Section 10(b) of the Securities Exchange Act of 1934 ("Exchange Act"). Plaintiffs' damages expert also estimates that approximately 48.1 million shares of Heckmann common stock were owned as of the Record Date and held through the Approval Date and potentially damaged pursuant to Section 14(a) of the Exchange Act. In addition, Plaintiffs' damages expert estimates that approximately 32.9 million Heckmann warrants were purchased or otherwise acquired during the Settlement Class Period and potentially damaged pursuant to Section 10(b) of the Exchange Act. If valid claims for all potentially damaged shares of Heckmann common stock and warrants are submitted, the estimated average recovery per damaged share of Heckmann common stock will be approximately \$0.24 and the estimated average recovery per damaged Heckmann warrant will be approximately \$0.06, both figures before deducting attorneys' fees, costs, and expenses as approved by the Court. **Please Note: These amounts are only estimates, and are before deduction of court-approved fees and expenses.**

A Settlement Class Member's actual recovery will depend on: (1) the number of claims filed; (2) when Settlement Class Members purchased/acquired their Heckmann common stock or warrants; (3) whether Settlement Class Members owned Heckmann common stock as of the Record Date and held those shares through the Approval Date; (4) whether Settlement Class Members sold their Heckmann common stock or warrants and, if so, when; (5) the ultimate value of the Settlement Shares at

<sup>1</sup> Shares of Heckmann common stock acquired by exchanging stock of China Water & Drinks, Inc. ("China Water") for Heckmann stock through the merger between the two companies consummated on October 30, 2008 are excluded from this definition.

<sup>2</sup> Unless otherwise defined herein, all capitalized terms used herein shall have the meanings provided in the Stipulation.

the time of their distribution; (6) administrative costs, including the costs of notice, for the action; and (7) the amount awarded by the Court for attorneys' fees and expenses (inclusive of any reimbursement of costs and expenses awarded to Lead Plaintiff in connection with his representation of the Settlement Class). Distributions to Settlement Class Members will be made based on the proposed plan of allocation ("Plan of Allocation") set forth in this Notice or other plan of allocation as may be ordered by the Court. *See* Plan of Allocation set forth in Question 9 below.

**Attorneys' Fees and Expenses:** Co-Lead Counsel have litigated the claims asserted in this case on an entirely contingent basis and have conducted this litigation and advanced the expenses of Litigation with the expectation that if they were successful in recovering money for the Settlement Class, they would receive fees and be reimbursed for their expenses from the Settlement Fund, as is customary in this type of litigation. Court-appointed Co-Lead Counsel will apply to the Court for attorneys' fees not to exceed one-third of the Settlement Amount, in equal parts Settlement Cash and Settlement Shares, an amount which is substantially less than Co-Lead Counsel's aggregate lodestar, a figure calculated by multiplying the hours expended to date on the Litigation by Co-Lead Counsel for each attorney and professional by their hourly rates. Co-Lead Counsel are also seeking reimbursement of out-of-pocket expenses in an amount not to exceed \$1.5 million, plus interest earned on both the fees and expenses at the same rate earned on the Settlement Fund, all to be paid from the Settlement Fund. The maximum expense figure set forth above includes an estimate for reimbursement from the Settlement Fund for costs and expenses (including lost wages) incurred by the Lead Plaintiff in connection with his representation of the Settlement Class, in an amount not to exceed \$60,000. If the above amounts are requested and approved by the Court, the average cost per damaged share of Heckmann common stock will be approximately \$0.09 and the average cost per damaged Heckmann warrant will be approximately \$0.02. **Please note that these amounts are only estimates.**

**Deadlines:**

Submit Claim:	August 18, 2014
Request Exclusion:	June 5, 2014
File Objection:	June 5, 2014
Court Hearing on Fairness of Settlement:	June 26, 2014

**More Information:**

Claims Administrator:

*In re Heckmann Corporation  
Securities Litigation*  
c/o Heffler Claims Group  
P.O. Box 60254  
Philadelphia, PA 19102-0254  
877-852-8870

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**If you are a Settlement Class Member, your legal rights will be affected whether you act or do not act.**

**Please read this Notice carefully.**

**The Circumstances of the Settlement**

The principle reason for the Settlement Class Representatives' consent to the Settlement is to provide an immediate benefit to the Settlement Class in a case which is based primarily upon a novel theory of damages under Section 14(a) of the Securities Exchange Act of 1934. This Settlement provides a further benefit to the Settlement Class in that it provides a global resolution of all claims against all defendants involved in the Litigation.

While Co-Lead Counsel believe that the Settlement Class Representatives' claims would survive a motion for summary judgment and ultimately result in a verdict for the Settlement Class, they also recognize that continued litigation and trial come with risks. The benefit of the present Settlement must be compared to the risk that no recovery might be achieved after contested motions, a contested trial and likely appeals, possibly years into the future. The claims advanced by the Settlement Class in this Litigation involve numerous complex legal and factual issues, which would require additional discovery, including extensive expert discovery and testimony, adding considerably to the expense and duration of the

Litigation. If the Litigation were to proceed, the Settlement Class Representatives would have to overcome significant defenses asserted by multiple defendants. Among other things, the Settling Parties disagree about (i) whether the Settlement Class Representatives or the Settlement Class have suffered damages, (ii) whether the price of Heckmann common stock or warrants was artificially inflated by reason of the alleged misrepresentations, omissions, or otherwise, (iii) whether the Merger was a Qualifying Business Combination that entitled Defendants to utilize the IPO Escrow Fund, and (iv) whether the Settlement Class Representatives or the Settlement Class were harmed by the conduct alleged in the Amended Class Action Complaint filed on October 8, 2010 (the “Amended Complaint”). Even after an extensive investigation and substantial discovery, questions remain regarding the extent of Defendants’ liability and the extent to which a jury might find them liable, if at all. This Settlement therefore enables the Settlement Class to recover without incurring any additional risk or costs. As a result, the Settlement Class Representatives and Co-Lead Counsel believe the Settlement is a fair, reasonable, and adequate recovery for the Settlement Class.

The Settling Defendants<sup>3</sup> expressly have denied and continue to deny all assertions of wrongdoing or liability against them arising out of any of the conduct, statements, acts, or omissions alleged, or that could have been alleged, in the Litigation. The Settling Defendants also continue to believe that the claims asserted against them in the Litigation are without merit. Nonetheless, the Settling Defendants have agreed to enter into the Settlement, as embodied in the Stipulation, solely to avoid the expense, distraction, time and uncertainty associated with continuing the Litigation.

<b>YOUR LEGAL RIGHTS AND OPTIONS IN THIS SETTLEMENT</b>	
<b>SUBMIT A CLAIM FORM</b>	The only way to receive a payment from the Settlement Fund. <b>The deadline for submitting a claim form is August 18, 2014.</b>
<b>EXCLUDE YOURSELF</b>	Receive no payment from the Settlement Fund. This is the only option that <i>potentially</i> allows you to participate in another lawsuit against the Settling Defendants or any of the other Released Persons concerning the Released Claims as defined in the Stipulation. <b>The deadline for submitting a request to exclude yourself from the Settlement Class is June 5, 2014.</b>
<b>OBJECT</b>	You may write to the Court if you do not like this Settlement, the Plan of Allocation, Co-Lead Counsel’s request for attorneys’ fees and expenses, or Lead Plaintiff’s request for reimbursement of his costs and expenses in connection with his representation of the Settlement Class. <b>The deadline for filing an objection is June 5, 2014.</b>
<b>GO TO A HEARING</b>	You may ask to speak in Court about the fairness of the Settlement.
<b>DO NOTHING</b>	Receive no payment from the Settlement Fund and give up your rights with regard to the claims in this lawsuit.

- These rights and options – **and the deadlines to exercise them** – are explained in this Notice. Please note the date of the Final Approval Hearing – currently scheduled for June 26, 2014 at 9:30 a.m. – is subject to change without further notice. If you plan to attend the hearing, you should check with Co-Lead Counsel as set forth above, or with the Court, to be sure that no change to the date and time of the hearing has been made.
- The Court in charge of this Litigation still has to decide whether to approve the Settlement. Payments will be made to Settlement Class Members if the Court approves the Settlement and that approval is upheld after any appeals are filed. Please be patient.

<sup>3</sup> The Settling Defendants are: Heckmann (n/k/a Nuverra Environmental Solutions, Inc.), Richard Heckmann, the principal founder of the Company, Donald G. Ezzell, Heckmann’s General Counsel and Senior Vice President, Lou L. Holtz, Alfred E. Osborne, Jr., James Danforth Quayle, each of whom served as outside directors of Heckmann’s Board of Directors, and China Water.

**What This Notice Contains**

**PAGE**

1. Why did I receive this Notice package?.....	5
2. What is this lawsuit about?.....	5
3. Why is this action a class action? .....	6
4. Why is there a settlement?.....	6
5. How do I know if I am part of the Settlement? .....	6
6. What are the exceptions to being included? .....	6
7. I am still not sure if I am included.....	6
8. What does the Settlement provide? .....	7
9. How much will my payment be? .....	7
Plan of Allocation of Net Settlement Fund Among Settlement Class Members.....	8
10. How will I receive a payment? .....	13
11. When will I receive my payment?.....	13
12. Why is Defendant Xu being voluntarily dismissed from the Litigation?.....	13
13. What am I giving up by staying in the Settlement Class? .....	13
14. How do I exclude myself from the Settlement Class? .....	14
15. If I do not exclude myself, can I sue the Defendants for the same thing later? .....	14
16. If I exclude myself, can I receive a payment from this Settlement? .....	14
17. Do I have a lawyer in this case? .....	15
18. How will the lawyers be paid?.....	15
19. How do I tell the Court that I do not like the Settlement? .....	15
20. What is the difference between objecting and excluding?.....	16
21. When and where will the Court decide whether to approve the Settlement? .....	16
22. Do I have to come to the Settlement Hearing? .....	16
23. May I speak at the Settlement Hearing? .....	16
24. What happens if I do nothing at all? .....	16
25. Are there more details about the Settlement? .....	17
Special Notice to Nominees.....	17

## BASIC INFORMATION

### 1. Why Did I Receive This Notice Package?

You or someone in your family may have purchased or otherwise acquired Heckmann common stock or warrants during the Settlement Class Period (*i.e.*, May 20, 2008 through May 8, 2009, inclusive) or owned Heckmann common stock as of September 15, 2008, which would have entitled you or someone in your family to vote on the merger between Heckmann and China Water, so long as such shares were held until the October 30, 2008 Approval Date.

If this description applies to you or someone in your family, you have a right to know about a proposed settlement of a class action lawsuit, and about all of your options, before the Court decides whether to approve the Settlement. If the Court approves the Settlement and after any objections or appeals are resolved, the Claims Administrator appointed by the Court will make the payments to eligible Settlement Class Members that the Settlement allows.

This package explains the lawsuit, the Settlement, your legal rights, what benefits are available, who is eligible for them, and how to receive them.

### 2. What Is This Lawsuit About?

On October 8, 2010, Lead Plaintiff filed the Amended Complaint alleging that Defendants violated the federal securities laws by obtaining shareholder approval of the Merger by means of the Proxy and other proxy solicitations that misrepresented China Water's operations, assets, and financial results, and omitted material information regarding known fraudulent conduct at China Water. The Amended Complaint also alleged that Defendants made materially false and misleading statements and omitted material facts about China Water and the Merger throughout the period May 20, 2008 through May 8, 2009, inclusive. The Amended Complaint was served upon all Defendants other than Defendant Xu Hong Bin, who could not be located and who has never appeared in this lawsuit.

The remaining Defendants moved to dismiss the Amended Complaint on December 10, 2010. Lead Plaintiff opposed Defendants' motions to dismiss on January 28, 2011, and Defendants filed a reply in support of their motions on February 18, 2011. By Report and Recommendation dated June 16, 2011, the Magistrate Judge appointed by the Court denied Defendants' motions in their entirety. On July 5, 2011, Defendants filed objections to the June 16, 2011 Report and Recommendation denying their motions to dismiss, and Lead Plaintiff filed a response to Defendants' objections on July 19, 2011. By Memorandum Order dated May 25, 2012, the District Court overruled Defendants' objections to the Magistrate Judge's June 16, 2011 Report and Recommendation denying Defendants' motions to dismiss. On July 9, 2012, Defendants answered the Amended Complaint denying all claims and asserting a number of defenses to liability. Thereafter, the parties commenced discovery.

On October 19, 2012, the Settlement Class Representatives filed a motion for class certification. After class certification discovery and a full round of briefing, on June 6, 2013, the Magistrate Judge issued a Report and Recommendation recommending, among other things, that Plaintiffs' Motion for Class Certification and Appointment of Class Representatives and Class Counsel should be granted. Defendants objected to the June 6, 2013 Report and Recommendation and the District Court had yet to rule upon these objections as of the date the Settlement was reached.

Fact discovery commenced on June 25, 2012 and concluded on September 3, 2013. During the course of fact discovery, Co-Lead Counsel, on behalf of the Settlement Class Representatives, engaged in extensive motion practice, conducted and/or defended seventeen depositions (over nineteen deposition days) and reviewed and analyzed over 1.9 million pages of documents produced by Defendants and third parties. Expert discovery commenced at the conclusion of fact discovery and opening expert reports were exchanged on November 22, 2013, in the areas of damages and loss causation, materiality of accounting misstatements in Heckmann's disclosures, and the adequacy of Heckmann's due diligence into the China Water merger.

After several failed attempts to resolve the Litigation, including in person sessions and mediation presentations in April 2013 overseen by Hon. Layn Phillips, United States District Judge for the Western District of Oklahoma (Ret.), and as expert discovery was ongoing, the Settling Parties made one final push to reach a resolution. On January 6, 2014, the Settling Parties each agreed to a mediator's proposal presented by Judge Phillips to reach an agreement in principle which is embodied in the Stipulation.

### **3. Why Is This Action a Class Action?**

In a class action, one or more individuals and/or entities called class representatives (in this case the court-appointed Lead Plaintiff, Matthew Haberkorn and proposed Settlement Class Representative, Ronald C. Sullivan) prosecute their claims on behalf of individuals and entities who have similar claims. All of these individuals and entities who have similar claims are referred to collectively as a class, or individually as class members. One court resolves the issues for all class members, except for those who exclude themselves from the class. The United States District Court for the District of Delaware, the Honorable Leonard P. Stark, is in charge of this Litigation. The Settling Parties have consented to Judge Stark assigning the approval of the Settlement to Chief Magistrate Judge Mary Pat Thyng, the Magistrate Judge who has issued the initial reports and recommendations for all motions in the Litigation.

### **4. Why Is There a Settlement?**

In order to avoid the cost and risks of further litigation and trial, both sides agreed to a settlement. As explained above, the Settlement Class Representatives and Co-Lead Counsel believe the Settlement is best for all Settlement Class Members.

## **WHO IS IN THE SETTLEMENT**

To see if you are eligible to potentially receive a payment from this Settlement, you first have to determine if you are a Settlement Class Member.

### **5. How Do I Know if I Am Part of the Settlement?**

The Settlement Class includes all persons and entities who purchased or otherwise acquired Heckmann common stock or warrants during the Settlement Class Period (*i.e.*, May 20, 2008 through May 8, 2009, inclusive)<sup>4</sup> or who held Heckmann common stock as of the Record Date of September 15, 2008 and who held these shares through the Approval Date of October 30, 2008, *except those persons and entities that are excluded, as described below.*

### **6. What Are the Exceptions to Being Included?**

Excluded from the Settlement Class are Defendants, present or former executive officers of Heckmann and China Water, present or former members of Heckmann's and China Water's Board of Directors and the immediate family members (as defined in 17 C.F.R. § 229.404, Instructions) of the foregoing excluded individuals. Also excluded from the Settlement Class are those Persons who timely and validly request exclusion from the Settlement Class pursuant to the requirements set forth herein. *See* Question 14 below.

### **7. I Am Still Not Sure if I Am Included.**

If you are still not sure whether you are included, you can ask for free help. You can contact the Claims Administrator, *In re Heckmann Corporation Securities Litigation*, c/o Heffler Claims Group, P.O. Box 60254, Philadelphia, PA 19102-0254, (877) 852-8870 for more information. Or you can fill out and return the claim form described in Question 9 below to see if you qualify.

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<sup>4</sup> Shares of Heckmann common stock acquired by exchanging stock of China Water for Heckmann stock through the Merger between the two companies consummated on October 30, 2008 are excluded from this definition.

## THE SETTLEMENT BENEFITS – WHAT YOU RECEIVE

### 8. What Does the Settlement Provide?

The Settling Defendants have agreed to create a Settlement Fund consisting of (i) \$13,500,000 in cash and (ii) the greater of 847,990 shares of Nuverra common stock or the number of shares of Nuverra common stock that equals \$13,500,000 in value as of the date preceding the Final Approval Hearing as set forth in the Stipulation. In the event that Nuverra shares decline in value prior to the Final Approval Hearing as set forth in the Stipulation, the Settling Defendants are required to contribute additional Nuverra shares or cash to ensure that the total Settlement Fund is not less than \$27,000,000. In the event that Nuverra shares increase in value prior to the date of the Final Approval Hearing, the Settling Defendants are still required to issue 847,990 shares, which would cause the Settlement Fund to be larger than \$27,000,000. At any time following the Effective Date of the Settlement but prior to distribution, the Settlement Class Representatives and Co-Lead Counsel may sell some or all of the Settlement Shares in their discretion and place the proceeds of such sales into the Settlement Fund (less reasonable expenses associated with such sales). The balance of the Settlement Fund, after payment of Court-approved attorneys' fees and expenses, Court-approved reimbursement to the Lead Plaintiff, the costs of claims administration and taxes (the "Net Settlement Fund"), will be divided among Settlement Class Members who submit timely and valid claims pursuant to a Court-approved Plan of Allocation.

### 9. How Much Will My Payment Be?

Each person or entity claiming to be an Authorized Claimant shall be required to submit a separate Proof of Claim and Release form ("Proof of Claim") signed under penalty of perjury and supported by such documents as specified in the Proof of Claim as are reasonably available to the claimant. If you are entitled to a payment under the Settlement, your share of the Net Settlement Fund will depend on, among other things, the number of valid Proofs of Claim that Settlement Class Members submit, the amount of Heckmann common stock or warrants you purchased or otherwise acquired during the Settlement Class Period, the amount of Heckmann common stock you owned as of the Record Date and held through the Approval Date, and when and if you sold your Heckmann common stock or warrants. By following the Plan of Allocation described herein, you can calculate your "Recognized Claim." The Claims Administrator will distribute the Net Settlement Fund according to the Plan of Allocation after the deadline for submission of Proofs of Claim has passed.

All Proofs of Claim must be **postmarked or received by August 18, 2014**, addressed as follows:

***In re Heckmann Corporation Securities Litigation***  
**c/o Heffler Claims Group**  
**P.O. Box 60254**  
**Philadelphia, PA 19102-0254**

Unless otherwise ordered by the Court, any Settlement Class Member who fails to submit a properly completed and signed Proof of Claim within such period, or such other period as may be ordered by the Court, shall be forever barred from receiving any payments pursuant to the Stipulation, but will in all other respects be bound by all of the terms of the Settlement, including the terms of the final judgment to be entered in the Litigation and will be barred from bringing any Released Claim<sup>5</sup> against any Released Persons, including Unknown Claims (as those terms are defined in the Stipulation dated as of March 4, 2014, which is available at [www.HeckmannSecuritiesLitigationSettlement.com](http://www.HeckmannSecuritiesLitigationSettlement.com), or through the mail upon request).

The Court has reserved jurisdiction to allow, disallow, or adjust the claim of any Settlement Class Member on equitable grounds. Each Claimant is deemed to have submitted to the jurisdiction of the Court with respect to the Claimant's claim, and the claim will be subject to investigation and discovery under the Federal Rules of Civil Procedure, provided that such investigation and discovery shall be limited to that Claimant's status as a Settlement Class Member and the validity and amount of that Claimant's claim. No discovery shall be allowed on the merits of the Litigation.

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<sup>5</sup> As set forth in the Stipulation, "Released Claims" does not include the claims asserted in the actions captioned (i) *Hess v. Heckmann, et. al.*, No. INC-10010407 and (ii) *Cook, et al. v. Nuverra Environmental Solutions, Inc., et al.*, No. 1:13-cv-06185 (S.D.N.Y.).

## PLAN OF ALLOCATION OF NET SETTLEMENT FUND AMONG SETTLEMENT CLASS MEMBERS

The Plan of Allocation is a matter separate and apart from the proposed Settlement, and any decision by the Court concerning the Plan of Allocation shall not affect the validity or finality of the proposed Settlement. The Court may approve the Plan of Allocation with or without modifications agreed to among the Settling Parties, or another plan of allocation, without further notice to Settlement Class Members. Any orders regarding a modification of the Plan of Allocation will be posted to the settlement website, [www.HeckmannSecuritiesLitigationSettlement.com](http://www.HeckmannSecuritiesLitigationSettlement.com).

The Claims Administrator shall determine each Authorized Claimant's *pro rata* share of the Net Settlement Fund based upon each Authorized Claimant's Recognized Claim. **Please Note:** The Recognized Claim formula, set forth below, is not intended to be an estimate of the amount of what a Settlement Class Member might have been able to recover after a trial, nor is it an estimate of the amount that will be paid to Authorized Claimants pursuant to the Settlement. The Recognized Claim formula is the basis upon which the Net Settlement Fund will be proportionately allocated to the Authorized Claimants. To the extent there are sufficient funds in the Net Settlement Fund, each Authorized Claimant will receive an amount equal to the Authorized Claimant's Recognized Claim. If, however, the amount in the Net Settlement Fund is not sufficient to permit payment of the total Recognized Claim of each Authorized Claimant, then each Authorized Claimant shall be paid the percentage of the Net Settlement Fund that each Authorized Claimant's Recognized Claim bears to the total Recognized Claims of all Authorized Claimants (*i.e.*, "*pro rata* share"). Payment in this manner shall be deemed conclusive against all Authorized Claimants. No distribution will be made on a Claim where the potential distribution amount is less than ten dollars (\$10.00) in cash.

If any funds remain in the Net Settlement Fund by reason of uncashed checks, or otherwise, after the Claims Administrator has made reasonable and diligent efforts to have Authorized Claimants who are entitled to participate in the distribution of the Net Settlement Fund cash their distribution checks, then any balance remaining in the Net Settlement Fund six (6) months after the initial distribution of such funds shall be used: (i) first, to pay any amounts mistakenly omitted from the initial distribution to Authorized Claimants or to pay any late, but otherwise valid and fully documented Claims received after the cut-off date used to make the initial distribution, which were not previously authorized by the Court to be paid, provided that such distributions to any late post-distribution Claimants meet all of the other criteria for inclusion in the initial distribution, including the \$10.00 minimum check amount set forth in the Notice; (ii) second, to pay any additional Notice and Administration Costs incurred in administering the Settlement; and (iii) finally, to make a second distribution to Authorized Claimants who cashed their checks from the initial distribution and who would receive at least \$10.00 from such second distribution, after payment of the estimated costs or fees to be incurred in administering the Net Settlement Fund and in making this second distribution, if such second distribution is economically feasible. If six (6) months after such second distribution, if undertaken, or if such second distribution is not undertaken, any funds shall remain in the Net Settlement Fund after the Claims Administrator has made reasonable and diligent efforts to have Authorized Claimants who are entitled to participate in this Settlement cash their checks, any funds remaining in the Net Settlement Fund shall be donated to a non-profit charitable organization(s) selected by Co-Lead Counsel and approved by the Court.

The objective of the Plan of Allocation is to equitably distribute the Net Settlement Fund among Authorized Claimants based on their respective alleged economic losses as a result of the alleged fraud, as opposed to losses caused by market-wide or industry-wide factors, or company-specific factors unrelated to the alleged fraud. A "Recognized Loss" under Section 10(b) of the Exchange Act will be calculated as set forth below for each share of Heckmann common stock or Heckmann warrant purchased or otherwise acquired during the Settlement Class Period (except any shares of Heckmann common stock acquired by former China Water shareholders during the Merger) (collectively "Eligible Securities"). In order to have been damaged under Section 14(a), you must have held Heckmann common stock as of the record date for the Merger of September 15, 2008 (the "Record Date") through and including the shareholder vote on the Merger, which took place on October 30, 2008 (the "Approval Date"). Thus, a Recognized Loss under Section 14(a) of the Exchange Act will be calculated as set forth below for each share of Heckmann common stock held as of September 15, 2008 through October 30, 2008. The calculation of Recognized Loss under Section 10(b) will depend upon several factors, including when Eligible Securities were purchased or acquired during the Settlement Class Period, and in what amounts, and whether those Eligible Securities were sold, and if sold, when they were sold, and for what amounts. With respect to Recognized Losses for Section 14(a) claims, the calculation will depend upon how many shares of Heckmann common stock were owned as of the Record Date and held through the Approval Date, and if sold thereafter, when they were sold, and for what amounts. An Authorized Claimant's Recognized Claim shall be calculated by totaling the Authorized Claimant's Recognized Loss amounts for all of the Authorized Claimant's Eligible Securities.



As set forth above, in this Litigation claims were asserted under both Sections 10(b) and 14(a) of the Exchange Act. Heckmann investors, however, can only receive a recovery under one of these sections of the Exchange Act with respect to the same share for the same violation, not both. With respect to Authorized Claimants who held Heckmann common stock as of September 15, 2008, which was then held through October 30, 2008, as to which a claim can be stated with respect to both Sections 10(b) and 14(a), the Recognized Loss calculated pursuant to the Section 14(a) calculations set forth below will be used for purposes of determining a Claimant’s overall Recognized Claim as that amount will always be greater than the Recognized Loss calculated pursuant to the Section 10(b) calculations set forth below.

**SECTION 10(b) CLAIMS – COMMON STOCK**

**Artificial Inflation in the Price of Heckmann Common Stock**

In developing the Plan of Allocation, Plaintiffs’ damages expert calculated the amount of estimated alleged artificial inflation in the per-share closing prices of Heckmann common stock which purportedly was proximately caused by Defendants’ alleged misrepresentations and material omissions. The estimated alleged artificial inflation in the price of Heckmann common stock during the Settlement Class Period is reflected in **Table 1** below. The computation of the estimated alleged artificial inflation in the price of Heckmann common stock during the Settlement Class Period is measured by the dollar decline in the price of Heckmann common stock, net of market-wide and industry-wide factors, in reaction to the May 8, 2009 public announcement that allegedly corrected earlier alleged misrepresentations and omissions made in the Proxy Solicitations and after the shareholder vote. That day, the decline in the price of Heckmann common stock, net of market-wide and industry-wide factors, was \$0.72. The per-share artificial inflation in Heckmann common stock is \$0.72 from May 20, 2008, the beginning of the Settlement Class Period, through and including May 7, 2009, the day before the May 8, 2009 corrective disclosure.<sup>6</sup>

<b>TABLE 1</b>		
<b>Artificial Inflation in Heckmann Common Stock</b>		
<b>From</b>	<b>To</b>	<b>Per-Share Price Inflation</b>
May 20, 2008	May 7, 2009	\$0.72
May 8, 2009	and thereafter	\$0.00

**90-Day Look Back Provision**

The “90-day look back” provision of the Private Securities Litigation Reform Act of 1995 (“PSLRA”) is incorporated into the calculation of Recognized Losses for Heckmann common stock Section 10(b) claims. The limitations on the calculation of Recognized Losses imposed by the PSLRA are applied such that losses on shares of Heckmann common stock purchased/acquired during the Settlement Class Period and held as of the close of the 90-day period subsequent to the Settlement Class Period (the “90-day look back period”) cannot exceed the difference between the purchase price paid for the Heckmann common stock and the average price of Heckmann common stock during the 90-day look back period. Losses on Heckmann common stock purchased/acquired during the Settlement Class Period and sold *during* the 90-day look back period cannot exceed the difference between the purchase price paid for the Heckmann common stock and the rolling average price of Heckmann common stock during the portion of the 90-day look back period elapsed as of the date of sale.

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<sup>6</sup> Please note that although the Settlement Class Period includes May 8, 2009, Heckmann common stock or warrants that were purchased and/or acquired on May 8, 2009 are not eligible for a recovery under the Plan of Allocation because the disclosure made on May 8, 2009 that Plaintiffs allege corrected earlier alleged misrepresentations and omissions was made before the opening of trading that day.

## **Calculation of Recognized Loss for Heckmann Common Stock under Section 10(b)**

An Authorized Claimant's Recognized Loss per share of Heckmann common stock purchased or acquired during the Settlement Class Period under Section 10(b) shall be calculated as follows:

- i. For each share of Heckmann common stock purchased or acquired during the Settlement Class Period and subsequently sold prior to May 8, 2009, the Recognized Loss is \$0.
- ii. For each share of Heckmann common stock purchased or acquired during the Settlement Class Period and subsequently sold between May 8, 2009 and August 5, 2009, inclusive, the Recognized Loss shall be calculated as the lesser of:
  - a. the amount of per-share price inflation on the date of purchase/acquisition as appears in **Table 1** above; and
  - b. the purchase/acquisition price (excluding all taxes, commissions and fees) *minus* the "90-day look back value" on the date of sale/disposition provided in **Table 2** attached to the end of this Notice. If this calculation results in a negative number, then the Recognized Loss is \$0.
- iii. For each share of Heckmann common stock purchased or acquired during the Settlement Class Period and still held as of the close of trading on August 5, 2009, the Recognized Loss shall be calculated as the lesser of:
  - a. the amount of per-share price inflation on the date of purchase/acquisition as appears in **Table 1** above; and
  - b. the purchase/acquisition price (excluding all taxes, commissions and fees) *minus* the average closing price for Heckmann common stock during the 90-day period following the Settlement Class Period, which is \$3.94. If this calculation results in a negative number, then the Recognized Loss is \$0.

## **SECTION 10(b) CLAIMS - WARRANTS**

### **Artificial Inflation in Heckmann Warrants**

In developing the Plan of Allocation, Plaintiffs' damages expert calculated the amount of estimated alleged artificial inflation in the per-warrant price of Heckmann warrants<sup>7</sup> which purportedly was proximately caused by Defendants' alleged misrepresentations and material omissions. The computation of the estimated price inflation in Heckmann warrants during the Settlement Class Period is based on the Black-Scholes option pricing model, a widely-used and well-accepted financial model for valuing stock options, with certain adjustments specific to warrants. Price inflation for the Heckmann warrants during the Settlement Class Period is measured by the difference between the market price of the Heckmann warrants and the value predicted by the Black-Scholes option pricing model, given the estimate of artificial price inflation of Heckmann common stock. The estimated alleged artificial inflation in the price of Heckmann warrants during the Settlement Class Period is reflected in **Table 3** attached to the end of this Notice.

### **90-Day Look Back Provision**

The 90-day look back provision of the PSLRA is incorporated into the calculation of Recognized Losses for Section 10(b) claims for Heckmann warrants. See paragraph above for a description of the 90-day look back provision.

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<sup>7</sup> Each warrant entitled the holder of such warrant to purchase from Heckmann one share of common stock at an exercise price of \$6.00 commencing on the later of the completion of a business combination or November 9, 2008. Heckmann's warrants were to expire on November 9, 2011, or earlier upon redemption. Heckmann SEC Form 424B3 (Prospectus) filed October 2, 2008, p. 23.

## **Calculation of Recognized Loss for Heckmann Warrants under Section 10(b)**

An Authorized Claimant's Recognized Loss per warrant under Section 10(b) shall be calculated as follows:

- i. For Heckmann warrants purchased or acquired during the Settlement Class Period, that were subsequently sold or exercised prior to May 8, 2009, the Recognized Loss is \$0.
- ii. For Heckmann warrants purchased or acquired during the Settlement Class Period, that were subsequently sold during the period May 8, 2009 through August 5, 2009, inclusive, the Recognized Loss shall be calculated as the lesser of:
  - a. the amount of artificial inflation per Heckmann warrant on the date of purchase/acquisition provided in **Table 3** attached to the end of this Notice; or
  - b. the per-warrant purchase/acquisition price (excluding all taxes, commissions and fees) *minus* the "90-day look back value" on the date of sale/disposition provided in **Table 3** attached to the end of this Notice. If this calculation results in a negative number, then the Recognized Loss is \$0.
- iii. For Heckmann warrants held as of close of trading on August 5, 2009, the Recognized Loss per-warrant shall be calculated as the lesser of:
  - a. the amount of artificial inflation per Heckmann warrant on the date of purchase/acquisition provided in **Table 3** attached to the end of this Notice; or
  - b. the purchase/acquisition price (excluding all taxes, commissions and fees) *minus* the average price for Heckmann warrants during the 90-day period following the Settlement Class Period, which is \$0.55. If this calculation results in a negative number, then the Recognized Loss is \$0.

Heckmann common stock acquired during the Settlement Class Period through the exercise of a warrant shall be treated as a purchase of Heckmann common stock on the date of exercise. The purchase price paid for such common stock shall be the closing price of Heckmann common stock on the date of exercise. Any damages arising from such transactions shall be computed as provided for other purchases of Heckmann common stock above.

## **SECTION 14(A) CLAIMS – COMMON STOCK**

The Recognized Loss for Section 14(a) claims is based upon Plaintiffs' damages theory that by forfeiting the right to a pro rata share of Heckmann's trust account on October 30, 2008, each shareholder of record as of the Record Date, who held their shares of Heckmann common stock through the Approval Date, lost a right valued according to the amount of cash held in Heckmann's trust account as of October 30, 2008. The value of the cash held in Heckmann's trust account equaled \$7.95 per share as of October 30, 2008, when the merger was consummated.<sup>8</sup> If the share of Heckmann common stock was disposed of after the Approval Date through the close of trading on August 5, 2009, the 90-day period following the end of the Settlement Class Period, the per-share Recognized Loss shall be offset by the proceeds received for that share. Alternatively, if the share was retained until the close of trading on August 5, 2009, the Recognized Loss shall be based on the difference between \$7.95 and the closing market value of the share on that date, which is \$3.73.

## **Calculation of Recognized Loss under Section 14(a)**

An Authorized Claimant's Recognized Loss per eligible share of Heckmann common stock under Section 14(a) will be calculated as follows:

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<sup>8</sup> As of September 30, 2008, \$430,431,520 in cash was held in the Company's trust account. Heckmann issued 54,116,800 shares of common stock in its IPO. (Heckmann SEC Form 10-Q filed November 12, 2008 for quarter ended September 30, 2008, pp. 3, 5.) \$430,431,520 divided by 54,116,800 shares is \$7.95.

- i. For each share of Heckmann common stock that was held as of the Record Date that was sold before the opening of trading on the Approval Date, the Recognized Loss for each such share is \$0.
- ii. For each share of Heckmann common stock that was held as of Record Date, that was still held as of the opening of trading on the Approval Date, and:
  - a. sold before the close of trading on August 5, 2009, the Recognized Loss for each such share is \$7.95 *minus* the proceeds received per share upon sale/disposition. If this calculation results in a negative number, then the Recognized Loss is \$0.
  - b. still held as of the close of trading on August 5, 2009, the Recognized Loss for each such share is \$4.22, which is \$7.95 per share *minus* \$3.73, which is the closing price of Heckmann common stock on August 5, 2009.

### **ADDITIONAL PLAN OF ALLOCATION PROVISIONS**

**Determination of Recognized Claim:** Subject to the provision above related to Settlement Class Period purchases that fall under both Section 10(b) and 14(a), which shall be treated under 14(a) only, a Claimant's Recognized Claim shall be the sum total of: (i) the Recognized Loss amounts under Section 10(b) for Heckmann common stock calculated above; (ii) the Recognized Loss amounts under Section 10(b) for Heckmann warrants calculated above; and (iii) the Recognized Loss amounts under Section 14(a) for Heckmann common stock calculated above.

**Purchase/Sale Dates:** For purposes of calculating your Recognized Loss, the date of purchase, acquisition or sale is the "contract" or "trade" date and not the "settlement" or "payment" date. The receipt or grant by gift, inheritance or operation of law of shares of Heckmann common stock or warrants during the Settlement Class Period shall not be deemed a purchase, acquisition or sale of those shares of Heckmann common stock or warrants for the calculation of an Authorized Claimant's Recognized Loss, nor shall such receipt or grant be deemed an assignment of any claim relating to the purchase/acquisition of such shares of Heckmann common stock or warrants during the Settlement Class Period unless (a) the donor or decedent purchased or otherwise acquired such Heckmann common stock or warrants during the Settlement Class Period; (b) no Proof of Claim was submitted by or on behalf of the donor, on behalf of the decedent, or by anyone else with respect to such Heckmann common stock or warrants; and (c) it is specifically so provided in the instrument of gift or assignment. The receipt of Heckmann common stock by former China Water shareholders as part of the Merger shall also not be treated as a purchase for purpose of this Plan of Allocation.

**FIFO Matching:** All purchases, acquisitions and sales of Heckmann common stock and warrants shall be accounted for and matched using the First In, First Out ("FIFO") method of accounting. In the event that a Claimant has more than one purchase/acquisition or sale of Heckmann common stock/warrants during the Settlement Class Period, all purchases/acquisitions and sales shall be matched on a FIFO basis, such that sales will be matched first against the Claimant's opening holdings of Heckmann common stock/warrants on the first day of the Settlement Class Period, if any, and then will be matched against purchases/acquisitions in chronological order, beginning with the earliest purchase/acquisition made during the Settlement Class Period.

**Short Sales:** The date of covering a "short sale" is deemed to be the date of purchase or acquisition of Heckmann common stock. The date of a "short sale" is deemed to be the date of sale of Heckmann common stock. In accordance with the Plan of Allocation, however, the Recognized Loss on "short sales" is zero. In the event that an Authorized Claimant has an opening short position in Heckmann common stock, the earliest Settlement Class Period purchases or acquisitions shall be matched against such opening short position, and not be entitled to a recovery, until that short position is fully covered.

**Eligible Securities:** Heckmann common stock and warrants are the only securities eligible for recovery under the Plan of Allocation. Option contracts with Heckmann common stock as the underlying security, are not securities eligible to participate in the Settlement. With respect to Heckmann common stock purchased or sold through the exercise of a warrant or an option, the purchase/sale date of the Heckmann common stock is the exercise date of the warrant or option, and the purchase/sale price of the Heckmann common stock is the closing price of Heckmann common stock on the date of exercise of the warrant or option. For Heckmann common stock or warrants purchased or sold through the purchase or sale of a Heckmann unit, the purchase/sale date of the Heckmann common stock or warrant is the purchase/sale date of the unit and the purchase/sale price of the Heckmann common stock or warrant is the closing price of Heckmann common stock or warrant on the purchase/sale date of the unit.

Payment pursuant to the plan of allocation approved by the Court shall be conclusive against all Authorized Claimants. No person shall have any claim against Plaintiffs, Co-Lead Counsel, Defendants, Defendants' Counsel, the Claims Administrator or any other agent designated by Co-Lead Counsel based on the distributions made substantially in accordance with the Stipulation and the Settlement contained therein, the Plan of Allocation, or further orders of the Court. Each Claimant shall be deemed to have submitted to the jurisdiction of the Court with respect to the Claimant's Proof of Claim. All persons involved in the review, verification, calculation, tabulation, or any other aspect of the processing of the claims submitted in connection with the Settlement, or otherwise involved in the administration or taxation of the Settlement Fund or the Net Settlement Fund shall be released and discharged from any and all claims arising out of such involvement, and all Settlement Class Members, whether or not they are to receive payment from the Net Settlement Fund, will be barred from making any further claim against the Net Settlement Fund beyond the amount allocated to them as provided in any distribution orders entered by the Court.

## HOW YOU RECEIVE A PAYMENT – SUBMITTING A CLAIM FORM

### 10. How Will I Receive a Payment?

To be eligible to receive a payment from the Net Settlement Fund, you must be a Settlement Class Member and you must submit a Proof of Claim. A Proof of Claim is enclosed with this Notice. Please read the instructions contained in the Proof of Claim carefully, fill out the form, include all the documents the form requests, sign it, and mail it in an envelope addressed to the Claims Administrator, **postmarked no later than August 18, 2014**. Please retain a copy of everything you mail, in case the materials are lost or destroyed during shipping.

### 11. When Will I Receive My Payment?

The Court will hold a hearing on June 26, 2014, to decide whether to approve the Settlement. If the Court approves the Settlement, there may be appeals. It is always uncertain whether appeals, if any, can be resolved, and resolving them can take time, perhaps several years. In addition, the Claims Administrator must process all of the Proofs of Claim. The processing of claims is complicated and will take many months. Please be patient.

### 12. Why is Defendant Xu Being Voluntarily Dismissed from the Litigation?

Although originally named as a Defendant in this Litigation, Defendant Xu Hong Bin ("Xu") has never been located to accept service of any complaint filed in this Litigation and although the Court authorized service on Defendant Xu through his last known email address, which was obtained through discovery, Defendant Xu has not acknowledged receipt of service nor appeared in this Litigation. If the Court were to approve the Settlement, Xu would be the only remaining Defendant and a portion of the Settlement Fund would have to be set aside in order to cover the expenses associated with continuing the Litigation against Xu, obtaining a judgment against him in the Court and attempting to enforce that judgment in China. As a result, upon the advice of Co-Lead Counsel, the Settlement Class Representatives believe it appropriate to voluntarily dismiss Defendant Xu rather than deplete the Settlement Fund in this endeavor and have requested the Court's approval of this dismissal.

### 13. What Am I Giving Up By Staying in the Settlement Class?

Unless you exclude yourself, you are staying in the Settlement Class, and that means that you cannot sue, continue to sue, or be part of any other lawsuit against the Defendants or the Released Persons about the Released Claims. It also means that all of the Court's orders will apply to you and legally bind you, and you will release your claims in this Litigation against the Defendants. The terms of the release are included in the Proof of Claim that is enclosed.<sup>9</sup>

<sup>9</sup> The Settling Parties will also seek to include in the Judgment a "bar order" that will, among other things, bar certain claims for contribution against or by the Defendants.

## EXCLUDING YOURSELF FROM THE SETTLEMENT

If you do not want a payment from this Settlement, but you want to keep the right to potentially sue or continue to sue the Defendants on your own about the same claims being released in this Settlement, then you must take steps to exclude yourself from the Settlement Class. This is sometimes referred to as “opting out” of the class. You should consult your own lawyer in this regard as Co-Lead Counsel are offering no advice as to whether you may be able to maintain such a lawsuit.

### 14. How Do I Exclude Myself from the Settlement Class?

To exclude yourself from the Settlement Class, you must send a letter by mail stating that you want to be excluded from the Settlement Class in the *In re Heckmann Corporation Securities Litigation*, Case No. 1:10-cv-00378-LPS-MPT. You must include your name, address, telephone number, your signature, and information concerning your purchase(s)/acquisition(s) of Heckmann common stock and warrants during the Settlement Class Period, including the number of Heckmann common stock and warrants purchased, acquired and/or sold and the dates of each purchase, acquisition and sale. You must also include the number of shares of Heckmann common stock you owned as of September 15, 2008 and October 30, 2008. You must mail your exclusion request so that it is **received no later than June 5, 2014** to:

*In re Heckmann Corporation Securities Litigation*  
c/o Heffler Claims Group  
P.O. Box 60254  
Philadelphia, PA 19102-0254

\*Please keep a copy of everything you send by mail, in case it is lost or destroyed during shipping.

You cannot exclude yourself over the phone or by e-mail. If you ask to be excluded from the Settlement Class, you will not be eligible to receive any payment from the Net Settlement Fund, and you cannot object to the Settlement. You will not be legally bound by anything that happens in this lawsuit and you may be able to pursue the claims that are being released in this Settlement.

Pursuant to the terms of a separate supplemental agreement, the parties shall have the option to terminate the Settlement in the event that members of the Settlement Class, who purchased and/or acquired a certain amount of Heckmann common stock and would otherwise be entitled to participate in the Settlement Class, timely and validly request exclusion in accordance with the requirements set forth in this Notice.

### 15. If I Do Not Exclude Myself, Can I Sue the Defendants for the Same Thing Later?

No. Unless you exclude yourself from the Settlement Class, you are giving up any right you may have to sue the Settling Defendants or any of the other Released Persons for the claims being released by this Settlement. If you have a pending lawsuit relating to the claims being released in this Litigation against any of the Settling Defendants or Released Persons, speak to your lawyer in that case immediately. Remember, the exclusion deadline is June 5, 2014.

### 16. If I Exclude Myself, Can I Receive a Payment from This Settlement?

No. If you exclude yourself from the Settlement Class, do not send in a Proof of Claim. But, you may be able to sue, continue to sue, or be part of a different lawsuit asserting the claims being released in this Settlement against the Settling Defendants and the Released Persons. You should consult your own lawyer in this regard as Co-Lead Counsel are offering no advice as to whether you may be able to maintain such a lawsuit.

Should you elect to exclude yourself from the Settlement Class, you should understand that the Settling Defendants and the other Released Persons will have the right to assert any and all defenses they may have to any claims that you may seek to assert, including without limitation the defense that any such claims are untimely under applicable statutes of limitations and statutes of repose. Although the Settling Defendants have decided to settle the Litigation in its entirety in order to eliminate the burden and expense of continued litigation, the Settling Defendants will retain and are not waiving in any way the right to assert that any subsequent claims asserted by any individual Settlement Class Members who exclude themselves from this Settlement are time-barred, are otherwise subject to dismissal, or otherwise lack merit. You should discuss these issues with a lawyer.

## THE LAWYERS REPRESENTING YOU

### 17. Do I Have a Lawyer in This Case?

The Court appointed the law firms of Kessler Topaz Meltzer & Check, LLP and Rosenthal, Monhait & Goddess, P.A., to represent you and the other Settlement Class Members. These lawyers are called Co-Lead Counsel. You will not be separately charged for these lawyers beyond your *pro rata* share of any attorneys' fees and expenses awarded by the Court that will be paid from the Settlement Fund. If you want to be represented by your own lawyer, you may hire one at your own expense.

### 18. How Will the Lawyers Be Paid?

Co-Lead Counsel will apply to the Court for attorneys' fees not to exceed one-third of the Settlement Amount and for reimbursement of out-of-pocket expenses advanced in connection with the Litigation up to an amount of \$1.5 million, plus interest on both amounts at the same rate as earned by the Settlement Fund. *Such sums as may be approved by the Court will be paid from the Settlement Fund.* Settlement Class Members are not personally liable for any such fees or expenses.

The attorneys' fees and expenses requested will be the only payment to Co-Lead Counsel for their efforts in achieving this Settlement and for their risk in undertaking this representation on a wholly contingent basis. To date, Co-Lead Counsel have not been paid for their services for conducting this Litigation on behalf of the Settlement Class Representatives and the Settlement Class or for their substantial out-of-pocket expenses. The fee requested will compensate Co-Lead Counsel for their work in achieving the Settlement Fund and represents a return of an amount which is substantially less than Co-Lead Counsel's aggregate lodestar, which is calculated by multiplying the hours expended to date on the Litigation by Co-Lead Counsel for each attorney and professional by their hourly rates. The Court may, however, award less than this amount.

Lead Plaintiff may also make an application to the Court for reimbursement in an amount not to exceed \$60,000 for his costs and expenses (including lost wages) in connection with his representation of the Settlement Class pursuant to 15 U.S.C. § 78u-4(a)(4) of the Private Securities Litigation Reform Act of 1995.

## OBJECTING TO THE SETTLEMENT

You can tell the Court that you do not agree with the Settlement or some part of it.

### 19. How Do I Tell the Court that I Do Not Like the Settlement?

If you are a Settlement Class Member, you can object to the Settlement if you do not like any part of it. To object to the Settlement, the proposed Plan of Allocation, Co-Lead Counsel's request for attorneys' fees and expenses and/or Lead Plaintiff's request for reimbursement of costs and expenses in connection with his representation of the Settlement Class, you must send a letter saying that you object to the Settlement in the *In re Heckmann Corporation Securities Litigation*, Case No. 1:10-cv-00378-LPS-MPT and the reasons why you object to the Settlement or any part of it. Be sure to include your name, address, telephone number and your signature. You must also include information concerning your purchases, acquisitions, sales and holdings of Heckmann common stock and warrants during the Settlement Class Period. Any objection to the Settlement must be **received by each of the following by June 5, 2014**:

COURT	CO-LEAD COUNSEL	DESIGNATED COUNSEL FOR THE SETTLING DEFENDANTS
Clerk of the Court J. Caleb Boggs Federal Building, 844 N. King Street, Wilmington, DE 19801-3555	Sharan Nirmul, Esq. <b>Kessler Topaz Meltzer &amp; Check, LLP</b> 280 King of Prussia Road Radnor, PA 19087  P. Bradford deLeeuw, Esq. <b>Rosenthal, Monhait &amp; Goddess, P.A.</b> 919 North Market Street, Suite 1401 Citizens Bank Center Wilmington, DE 19801	Koji F. Fukumura, Esq. <b>Cooley, LLP</b> 4401 Eastgate Mall San Diego, CA 92121-1909

**20. What is the Difference Between Objecting and Excluding?**

Objecting is simply telling the Court that you do not like something about the Settlement, the Plan of Allocation, the application for attorneys' fees and expenses, and/or the request for reimbursement of costs and expenses to the Lead Plaintiff. You can object *only if* you stay in the Settlement Class. Excluding yourself is telling the Court that you do not want to be part of the Settlement. If you exclude yourself, you have no basis to object because the case no longer affects you.

**THE COURT'S SETTLEMENT FAIRNESS HEARING**

**21. When and Where Will the Court Decide Whether to Approve the Settlement?**

The Court will hold a fairness hearing at **9:30 a.m., on June 26, 2014**, at the United States District Court for the District of Delaware, J. Caleb Boggs Federal Building, 844 N. King Street, Wilmington, DE 19801-3555 (the "Settlement Hearing"). At this hearing, the Court will consider whether the Settlement and the Plan of Allocation are fair, reasonable, and adequate. If there are objections, the Court will consider them. The Court will listen to people who have requested in writing by June 5, 2014 to speak at the hearing. The Court may also consider Co-Lead Counsel's application for attorneys' fees and reimbursement of expenses and the request for reimbursement of costs and expenses to Lead Plaintiff.

**22. Do I Have to Come to the Settlement Hearing?**

No. Co-Lead Counsel will answer any questions the Court may have. But, you are welcome to attend the hearing at your own expense. If you send an objection, you do not have to come to Court to talk about it. As long as your written objection was received on time, the Court will consider it. You may also pay your own lawyer to attend, but it is not required.

**23. May I Speak at the Settlement Hearing?**

You may ask the Court for permission to speak at the Settlement Hearing. To do so, you must send a letter stating your intention to appear in the *In re Heckmann Corporation Securities Litigation*, Case No. 1:10-cv-00378-LPS-MPT. Be sure to include your name, address, telephone number, your signature, and also identify the date(s), price(s) and amount(s) of all of your purchases/acquisitions of Heckmann common stock and warrants during the Settlement Class Period and your sale(s) of such common stock and warrants, as well as your holdings of Heckmann common stock as of September 15, 2008 and October 30, 2008. Your notice of intention to appear must be **received no later than June 5, 2014**, and must be sent to the Clerk of the Court, Co-Lead Counsel, and designated counsel for the Settling Defendants, at the addresses listed in Question 19 above. You cannot speak at the hearing if you exclude yourself from the Settlement Class

**IF YOU DO NOTHING**

**24. What Happens if I Do Nothing at All?**

If you do nothing, you will receive no money from this Settlement. But, unless you exclude yourself from the Settlement Class, you will not be able to potentially start a lawsuit, continue with a lawsuit, or be part of any other lawsuit against the Settling Defendants or the other Released Persons about the same claims being released in this Settlement.



## OBTAINING MORE INFORMATION

### 25. Are There More Details About the Settlement?

This Notice summarizes the proposed Settlement. More details are contained in the Stipulation. All terms used in this Notice and not defined herein shall have the same meanings as in the Stipulation. You can obtain a copy of the Stipulation or more information about the Settlement by visiting [www.HeckmannSecuritiesLitigationSettlement.com](http://www.HeckmannSecuritiesLitigationSettlement.com) or by writing to Co-Lead Counsel listed above in Question 19. You can also obtain a copy of the Stipulation from the Clerk's office at the J. Caleb Boggs Federal Building, 844 N. King Street, Wilmington, DE 19801-3555, during regular business hours.

### DO NOT TELEPHONE THE COURT REGARDING THIS NOTICE

### SPECIAL NOTICE TO NOMINEES

If you purchased or acquired Heckmann (now known as Nuverra Environmental Solutions, Inc.) common stock or warrants during the Settlement Class Period for the beneficial interest of a person or entity other than yourself, then, the Court has ordered that within ten (10) calendar days after you receive this Notice, you must either: (1) send a copy of this Notice and the Proof of Claim by first class mail to all such beneficial owners; or (2) provide a list of the names and addresses of such beneficial owners to the Claims Administrator: *In re Heckmann Corporation Securities Litigation*, c/o Heffler Claims Group, P.O. Box 60254, Philadelphia, PA 19102-0254.

If you choose to mail the Notice and Proof of Claim yourself, you may obtain from the Claims Administrator (without cost to you) as many additional copies of these documents as you will need to complete the mailing. Copies of this Notice and the Proof of Claim may also be obtained from website maintained for the Settlement, [www.HeckmannSecuritiesLitigationSettlement.com](http://www.HeckmannSecuritiesLitigationSettlement.com), by calling the Claims Administrator toll-free at (877) 852-8870.

Regardless of whether you choose to complete the mailing yourself or elect to have the mailing performed for you, you may obtain reimbursement for reasonable administrative costs actually incurred in connection with forwarding the Notice and Proof of Claim and which would not have been incurred but for the obligation to forward the Notice and Proof of Claim, upon submission of appropriate documentation to the Claims Administrator.

DATED: March 21, 2014

BY ORDER OF THE COURT  
UNITED STATES DISTRICT COURT  
DISTRICT OF DELAWARE

**TABLE 2**  
*Heckmann Corporation Securities Litigation*

<b>Date</b>	<b>Heckmann Common Stock Rolling Average Price during 90-day Look back Period as of the Date of Sale/Disposition</b>	<b>Date</b>	<b>Heckmann Common Stock Rolling Average Price during 90-day Look back Period as of the Date of Sale/Disposition</b>
5/8/2009	\$4.33	6/23/2009	\$4.20
5/11/2009	\$4.27	6/24/2009	\$4.19
5/12/2009	\$4.29	6/25/2009	\$4.18
5/13/2009	\$4.31	6/26/2009	\$4.18
5/14/2009	\$4.32	6/29/2009	\$4.17
5/15/2009	\$4.31	6/30/2009	\$4.16
5/18/2009	\$4.29	7/1/2009	\$4.15
5/19/2009	\$4.28	7/2/2009	\$4.14
5/20/2009	\$4.26	7/6/2009	\$4.13
5/21/2009	\$4.25	7/7/2009	\$4.12
5/22/2009	\$4.25	7/8/2009	\$4.10
5/26/2009	\$4.24	7/9/2009	\$4.09
5/27/2009	\$4.23	7/10/2009	\$4.07
5/28/2009	\$4.21	7/13/2009	\$4.06
5/29/2009	\$4.20	7/14/2009	\$4.05
6/1/2009	\$4.19	7/15/2009	\$4.04
6/2/2009	\$4.18	7/16/2009	\$4.03
6/3/2009	\$4.17	7/17/2009	\$4.02
6/4/2009	\$4.16	7/20/2009	\$4.01
6/5/2009	\$4.16	7/21/2009	\$4.01
6/8/2009	\$4.16	7/22/2009	\$4.00
6/9/2009	\$4.18	7/23/2009	\$3.99
6/10/2009	\$4.19	7/24/2009	\$3.99
6/11/2009	\$4.20	7/27/2009	\$3.98
6/12/2009	\$4.21	7/28/2009	\$3.98
6/15/2009	\$4.22	7/29/2009	\$3.97
6/16/2009	\$4.22	7/30/2009	\$3.96
6/17/2009	\$4.22	7/31/2009	\$3.96
6/18/2009	\$4.21	8/3/2009	\$3.95
6/19/2009	\$4.21	8/4/2009	\$3.95
6/22/2009	\$4.20	8/5/2009	\$3.94

**TABLE 3**  
**Heckmann Corporation Securities Litigation**

<b>Date</b>	<b>Heckmann Warrants Price Inflation</b>	<b>Heckmann Warrants Rolling Average Price during 90-day Look back Period as of the Date of Sale/Disposition (May 8, 2009 - August 5, 2009)</b>	<b>Date</b>	<b>Heckmann Warrants Price Inflation</b>	<b>Heckmann Warrants Rolling Average Price during 90-day Look back Period as of the Date of Sale/Disposition (May 8, 2009 - August 5, 2009)</b>
5/20/2008	\$0.20		7/14/2008	\$0.40	
5/21/2008	\$0.27		7/15/2008	\$0.38	
5/22/2008	\$0.37		7/16/2008	\$0.39	
5/23/2008	\$0.38		7/17/2008	\$0.42	
5/27/2008	\$0.38		7/18/2008	\$0.40	
5/28/2008	\$0.39		7/21/2008	\$0.41	
5/29/2008	\$0.39		7/22/2008	\$0.38	
5/30/2008	\$0.39		7/23/2008	\$0.41	
6/2/2008	\$0.40		7/24/2008	\$0.42	
6/3/2008	\$0.42		7/25/2008	\$0.44	
6/4/2008	\$0.45		7/28/2008	\$0.44	
6/5/2008	\$0.45		7/29/2008	\$0.47	
6/6/2008	\$0.46		7/30/2008	\$0.50	
6/9/2008	\$0.45		7/31/2008	\$0.51	
6/10/2008	\$0.49		8/1/2008	\$0.52	
6/11/2008	\$0.48		8/4/2008	\$0.50	
6/12/2008	\$0.47		8/5/2008	\$0.51	
6/13/2008	\$0.47		8/6/2008	\$0.52	
6/16/2008	\$0.46		8/7/2008	\$0.50	
6/17/2008	\$0.47		8/8/2008	\$0.51	
6/18/2008	\$0.47		8/11/2008	\$0.49	
6/19/2008	\$0.49		8/12/2008	\$0.51	
6/20/2008	\$0.47		8/13/2008	\$0.50	
6/23/2008	\$0.49		8/14/2008	\$0.49	
6/24/2008	\$0.49		8/15/2008	\$0.50	
6/25/2008	\$0.47		8/18/2008	\$0.53	
6/26/2008	\$0.46		8/19/2008	\$0.49	
6/27/2008	\$0.43		8/20/2008	\$0.49	
6/30/2008	\$0.39		8/21/2008	\$0.48	
7/1/2008	\$0.39		8/22/2008	\$0.50	
7/2/2008	\$0.39		8/25/2008	\$0.51	
7/3/2008	\$0.38		8/26/2008	\$0.51	
7/7/2008	\$0.39		8/27/2008	\$0.51	
7/8/2008	\$0.38		8/28/2008	\$0.53	
7/9/2008	\$0.41		8/29/2008	\$0.54	
7/10/2008	\$0.41		9/2/2008	\$0.54	
7/11/2008	\$0.39		9/3/2008	\$0.56	

**TABLE 3**  
*Heckmann Corporation Securities Litigation*

<b>Date</b>	<b>Heckmann Warrants Price Inflation</b>	<b>Heckmann Warrants Rolling Average Price during 90-day Look back Period as of the Date of Sale/Disposition (May 8, 2009 - August 5, 2009)</b>	<b>Date</b>	<b>Heckmann Warrants Price Inflation</b>	<b>Heckmann Warrants Rolling Average Price during 90-day Look back Period as of the Date of Sale/Disposition (May 8, 2009 - August 5, 2009)</b>
9/4/2008	\$0.55		10/28/2008	\$0.22	
9/5/2008	\$0.55		10/29/2008	\$0.21	
9/8/2008	\$0.55		10/30/2008	\$0.58	
9/9/2008	\$0.54		10/31/2008	\$0.57	
9/10/2008	\$0.48		11/3/2008	\$0.60	
9/11/2008	\$0.52		11/4/2008	\$0.66	
9/12/2008	\$0.54		11/5/2008	\$0.60	
9/15/2008	\$0.47		11/6/2008	\$0.61	
9/16/2008	\$0.44		11/7/2008	\$0.56	
9/17/2008	\$0.41		11/10/2008	\$0.60	
9/18/2008	\$0.35		11/11/2008	\$0.53	
9/19/2008	\$0.42		11/12/2008	\$0.52	
9/22/2008	\$0.42		11/13/2008	\$0.48	
9/23/2008	\$0.40		11/14/2008	\$0.47	
9/24/2008	\$0.38		11/17/2008	\$0.44	
9/25/2008	\$0.40		11/18/2008	\$0.41	
9/26/2008	\$0.42		11/19/2008	\$0.41	
9/29/2008	\$0.37		11/20/2008	\$0.39	
9/30/2008	\$0.40		11/21/2008	\$0.37	
10/1/2008	\$0.40		11/24/2008	\$0.35	
10/2/2008	\$0.40		11/25/2008	\$0.38	
10/3/2008	\$0.39		11/26/2008	\$0.39	
10/6/2008	\$0.38		11/28/2008	\$0.42	
10/7/2008	\$0.27		12/1/2008	\$0.38	
10/8/2008	\$0.25		12/2/2008	\$0.39	
10/9/2008	\$0.29		12/3/2008	\$0.40	
10/10/2008	\$0.30		12/4/2008	\$0.39	
10/13/2008	\$0.33		12/5/2008	\$0.42	
10/14/2008	\$0.35		12/8/2008	\$0.41	
10/15/2008	\$0.32		12/9/2008	\$0.42	
10/16/2008	\$0.30		12/10/2008	\$0.40	
10/17/2008	\$0.37		12/11/2008	\$0.39	
10/20/2008	\$0.32		12/12/2008	\$0.38	
10/21/2008	\$0.32		12/15/2008	\$0.35	
10/22/2008	\$0.24		12/16/2008	\$0.35	
10/23/2008	\$0.27		12/17/2008	\$0.36	
10/24/2008	\$0.26		12/18/2008	\$0.36	
10/27/2008	\$0.25		12/19/2008	\$0.39	

**TABLE 3**  
**Heckmann Corporation Securities Litigation**

<b>Date</b>	<b>Heckmann Warrants Price Inflation</b>	<b>Heckmann Warrants Rolling Average Price during 90-day Look back Period as of the Date of Sale/Disposition (May 8, 2009 - August 5, 2009)</b>	<b>Date</b>	<b>Heckmann Warrants Price Inflation</b>	<b>Heckmann Warrants Rolling Average Price during 90-day Look back Period as of the Date of Sale/Disposition (May 8, 2009 - August 5, 2009)</b>
12/22/2008	\$0.35		2/18/2009	\$0.35	
12/23/2008	\$0.34		2/19/2009	\$0.34	
12/24/2008	\$0.34		2/20/2009	\$0.32	
12/26/2008	\$0.35		2/23/2009	\$0.32	
12/29/2008	\$0.34		2/24/2009	\$0.30	
12/30/2008	\$0.35		2/25/2009	\$0.29	
12/31/2008	\$0.37		2/26/2009	\$0.30	
1/2/2009	\$0.39		2/27/2009	\$0.29	
1/5/2009	\$0.39		3/2/2009	\$0.27	
1/6/2009	\$0.42		3/3/2009	\$0.25	
1/7/2009	\$0.41		3/4/2009	\$0.26	
1/8/2009	\$0.43		3/5/2009	\$0.24	
1/9/2009	\$0.41		3/6/2009	\$0.22	
1/12/2009	\$0.41		3/9/2009	\$0.26	
1/13/2009	\$0.40		3/10/2009	\$0.27	
1/14/2009	\$0.38		3/11/2009	\$0.27	
1/15/2009	\$0.38		3/12/2009	\$0.26	
1/16/2009	\$0.38		3/13/2009	\$0.31	
1/20/2009	\$0.37		3/16/2009	\$0.28	
1/21/2009	\$0.37		3/17/2009	\$0.29	
1/22/2009	\$0.37		3/18/2009	\$0.28	
1/23/2009	\$0.36		3/19/2009	\$0.27	
1/26/2009	\$0.35		3/20/2009	\$0.29	
1/27/2009	\$0.35		3/23/2009	\$0.30	
1/28/2009	\$0.35		3/24/2009	\$0.29	
1/29/2009	\$0.34		3/26/2009	\$0.29	
1/30/2009	\$0.35		3/27/2009	\$0.31	
2/2/2009	\$0.34		3/30/2009	\$0.30	
2/3/2009	\$0.34		3/31/2009	\$0.29	
2/4/2009	\$0.35		4/1/2009	\$0.29	
2/5/2009	\$0.35		4/2/2009	\$0.29	
2/6/2009	\$0.35		4/3/2009	\$0.30	
2/9/2009	\$0.35		4/6/2009	\$0.30	
2/10/2009	\$0.34		4/7/2009	\$0.29	
2/11/2009	\$0.33		4/8/2009	\$0.30	
2/12/2009	\$0.34		4/9/2009	\$0.30	
2/13/2009	\$0.34		4/13/2009	\$0.30	
2/17/2009	\$0.33		4/14/2009	\$0.31	

**TABLE 3**  
**Heckmann Corporation Securities Litigation**

<b>Date</b>	<b>Heckmann Warrants Price Inflation</b>	<b>Heckmann Warrants Rolling Average Price during 90-day Look back Period as of the Date of Sale/Disposition (May 8, 2009 - August 5, 2009)</b>	<b>Date</b>	<b>Heckmann Warrants Price Inflation</b>	<b>Heckmann Warrants Rolling Average Price during 90-day Look back Period as of the Date of Sale/Disposition (May 8, 2009 - August 5, 2009)</b>
4/15/2009	\$0.30		6/11/2009	\$0.00	\$0.61
4/16/2009	\$0.31		6/12/2009	\$0.00	\$0.61
4/17/2009	\$0.31		6/15/2009	\$0.00	\$0.61
4/20/2009	\$0.28		6/16/2009	\$0.00	\$0.61
4/21/2009	\$0.31		6/17/2009	\$0.00	\$0.61
4/22/2009	\$0.33		6/18/2009	\$0.00	\$0.61
4/27/2009	\$0.33		6/19/2009	\$0.00	\$0.61
4/28/2009	\$0.33		6/22/2009	\$0.00	\$0.61
4/29/2009	\$0.32		6/23/2009	\$0.00	\$0.61
4/30/2009	\$0.32		6/24/2009	\$0.00	\$0.61
5/1/2009	\$0.33		6/25/2009	\$0.00	\$0.61
5/4/2009	\$0.32		6/26/2009	\$0.00	\$0.60
5/5/2009	\$0.32		6/30/2009	\$0.00	\$0.60
5/6/2009	\$0.33		7/1/2009	\$0.00	\$0.60
5/7/2009	\$0.33		7/6/2009	\$0.00	\$0.60
5/8/2009	\$0.00	\$0.70	7/7/2009	\$0.00	\$0.60
5/11/2009	\$0.00	\$0.68	7/9/2009	\$0.00	\$0.60
5/12/2009	\$0.00	\$0.67	7/10/2009	\$0.00	\$0.60
5/13/2009	\$0.00	\$0.67	7/13/2009	\$0.00	\$0.60
5/14/2009	\$0.00	\$0.66	7/14/2009	\$0.00	\$0.59
5/15/2009	\$0.00	\$0.66	7/15/2009	\$0.00	\$0.59
5/18/2009	\$0.00	\$0.65	7/16/2009	\$0.00	\$0.59
5/19/2009	\$0.00	\$0.64	7/17/2009	\$0.00	\$0.58
5/20/2009	\$0.00	\$0.63	7/20/2009	\$0.00	\$0.58
5/21/2009	\$0.00	\$0.62	7/21/2009	\$0.00	\$0.58
5/22/2009	\$0.00	\$0.62	7/22/2009	\$0.00	\$0.57
5/26/2009	\$0.00	\$0.61	7/23/2009	\$0.00	\$0.57
5/27/2009	\$0.00	\$0.61	7/24/2009	\$0.00	\$0.57
5/28/2009	\$0.00	\$0.60	7/27/2009	\$0.00	\$0.57
5/29/2009	\$0.00	\$0.60	7/28/2009	\$0.00	\$0.56
6/1/2009	\$0.00	\$0.60	7/29/2009	\$0.00	\$0.56
6/2/2009	\$0.00	\$0.60	7/30/2009	\$0.00	\$0.56
6/3/2009	\$0.00	\$0.60	7/31/2009	\$0.00	\$0.56
6/4/2009	\$0.00	\$0.60	8/3/2009	\$0.00	\$0.55
6/8/2009	\$0.00	\$0.60	8/4/2009	\$0.00	\$0.55
6/9/2009	\$0.00	\$0.60	8/5/2009	\$0.00	\$0.55
6/10/2009	\$0.00	\$0.61			